

bulletin





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SIGNIFICANCE OF TEXTILES IN THE JAPANESE ECONOMY

by Stanley Nehmer and Marguerite C. Crimmins

To achieve the objective of creating a permanently peaceful, democratic state in Japan, it is necessary to establish in that country a self-supporting economy. Japan must import many raw materials and at least one fifth of her food to survive; and in order to pay for those imports, she must redevelop her international trade. The most important industries to rehabilitate in Japan, with an objective of enabling the Japanese to be self-supporting, are the textile industries. This article is designed to point up the significance of the textile industries in the domestic economy and in the foreign trade of Japan.

PREWAR SIGNIFICANCE OF JAPAN'S TEXTILE INDUSTRIES

Contribution to Production and Employment

During the prewar period, the textile industries were among the more important segments of the Japanese economy. In 1928, textiles accounted for 40 percent of the total value of Japan's factory production and absorbed 52 percent of all industrial labor. This high proportion of value of production and employment was not maintained, however, over the next decade. Changes in the character of the Japanese economy, which involved the rapid expansion of the war-supporting metal, machinery, and chemicals industries, were responsible for the decline in the relative importance of the textile industries although they still ranked among Japan's major industries. By 1936, textiles accounted for 29 percent of the total value of factory production and about 38 percent of total industrial employment.

Measured by both of the above criteria, in 1928 the cotton and silk industries were the largest and most active ones, while wool ranked third and rayon had not yet been developed significantly. By 1936 such changes as the decline in the price of silk and the further development of cotton, wool, and rayon caused a shift in the relative importance of the various textiles. Chart 1 summarizes the contribution of each of the textile industries in 1928 and 1936.

Contribution to Trade

Important as the textile industries were to the internal economy of Japan, they had equal or greater significance in Japan's foreign trade. In 1930 the value of exports of all textile raw materials and products amounted to 501 million dollars, or 55 percent of the value of Japan's total exports. In the same year the cost of imports of textile raw materials and products totaled 271 million dollars, or 27 percent of the cost of Japan's total imports. By 1936 the textile industry contributed somewhat less to Japan's total foreign trade; textile exports accounted for 485 million dollars, or 48 percent of Japan's total exports, and textile imports of 349 million dollars represented 33 percent of total imports.

Each of the branches of the textile industry differed with respect to its net contribution to Japan's foreign exchange. Silk, a native product of Japan, required no imported raw materials in its manufacture. The entire value of exported silk, therefore, was an addition to Japan's foreign exchange. Cotton, wool, and rayon textiles, on the other hand, required heavy raw-material imports

COMPARATIVE POSITION OF JAPAN'S TEXTILE INDUSTRIES, 1928-36

Value of Textile Production



Textile Employment



Each bar represents 100%

CS-10 3345

since no cotton or wool was grown in Japan and because sufficient good-quality rayon pulp was not available. Since the cost of raw cotton and wool absorbed a large percentage of the value of the finished product, cotton and wool textile exports were not such good sources of foreign exchange as were silk exports. In fact, in the period 1928-36 the value of identifiable cotton and wool exports did not cover the cost of raw cotton and wool imports. The reason for this "deficit", of course, was that Japanese domestic consumption of cotton and wool absorbed a large proportion of these two imports. With restricted domestic consumption, however, both of these branches of the textile industry could yield a net addition to the foreign-exchange account. In the case of imported pulp for rayon, its cost does not absorb such a large proportion of the value of the finished product as do raw cotton and wool, and since the value added by manufacture in the rayon industry is relatively large, the rayon industry can pay its own way more easily than either the cotton or wool industries and can probably make a net contribution to Japan's foreign-exchange position.

Raw Silk Trade. Japan's silk industry encountered serious difficulties during the 1930's. Exports of raw silk fluctuated between 470,000 bales in 1930 and 553,000 bales in 1935, and then declined to 386,000 bales in 1939. The price of raw silk dropped from \$5.07 a pound in 1928 to a low of \$1.30 in 1934 and then rose gradually to a peak of \$2.79 in 1940. Some of the factors responsible for the falling value of Japan's raw-silk exports were Japan's devaluation of the yen, which appears to have had no prolonged effect on increasing silk exports; a declining market after 1935 in the United States, which had absorbed an average of 95 percent of Japan's raw-silk exports in 1928-32, because of growing competition from rayon; and the world-wide depression, which affected the foregoing factors and generally unstabilized the world silk market. Consequently, the contribution which raw silk made to Japan's foreign exchange dropped severely during this period. In 1928 exports of raw and waste silk totaled 350 million dollars, but by 1936 this figure had fallen to 142 million dollars. Even so, in the latter year raw-silk exports still played a major role in Japan's foreign trade, contributing 11 percent of the value of all exports.

Cotton Trade. Of Japan's cotton textiles, cotton piece goods was the most outstanding item in Japan's export trade. In 1928 exports of cotton piece goods totaled 189 million dollars and in 1936 amounted to 151 million dollars. These same exports contributed 17 percent of the value of total

Japanese exports in 1930 and 15 percent in 1936.

Rayon and Wool Trade. Rayon and wool exports were much smaller in magnitude than either cotton or silk exports, but both grew in importance in the 1928-36 period. Exports of rayon yarn and piece goods were valued at approximately 22 million dollars in 1930 and 56 million dollars in 1936. More wool piece goods were imported than exported up until 1932 and the same was true of wool yarn until 1933. In the latter year exports of these two wool products were valued at 7 million dollars. This figure rose to 22 million dollars by 1936.

Japanese Trade Practices. Complaints concerning Japanese competition arose from many quarters during the 1930's. Most of these took the form of charges that Japan was "dumping", that it was exploiting its labor, that it devalued the yen in order to gain a competitive advantage in international trade, that the Japanese Government assisted its export industries with subsidies, and that Japanese manufacturers imitated American goods.

In 1935 the U.S. Tariff Commission in an investigation of complaints against Japanese trade practices found that virtually no valid basis existed for most of the various charges.¹ It discovered that instead of selling goods abroad at less than cost ("dumping"), the Japanese were actually making "unprecedented profits" on those goods; that there was no significant change in the real wages of industrial workers in Japan from the end of 1931 to the end of 1934, the period during which Japan greatly expanded its foreign trade; and that the devaluation of the yen was dictated largely by forces over which the Japanese Government had no control, although the degree of devaluation was probably influenced by trade considerations.

Indeed, there is considerable evidence that although the Japanese did not engage in the many practices charged, other markets raised barriers against Japanese goods. The British Joint Committee of Cotton Trade Organizations reported that

"In June 1936 cotton piece goods exported from Japan were subjected to restrictive measures in 56 out of 106 markets which are distinguished in Japanese export statistics. . . . In 40 of these cases the restriction took the form of a quantitative limitation, while in the other 16 cases restriction took the form of a tariff preference in favor of Japan's principal competitor—the United Kingdom. The quantity of trade affected by the restrictions was about 67 percent of total Japanese piece goods exports in 1935."²

Quotas generally seem to have had greater effect than tariffs in restricting Japanese exports, but despite these barriers, Japan exported approximately 2.9 billion square yards of cotton piece goods during each of 1935 and 1936, which were all-time peak years for export of these goods.

¹ U.S. Tariff Commission, *Japan's Competitive Position in International Trade*, May 1935, part II, pp. 52-68.

² Quoted in International Labour Office, *The World Textile Industry*, 1937, vol. I, p. 181; from Manchester Chamber of Commerce, *Monthly Record*, no. 9, Sept. 30, 1936, p. 369.

STATUS UNDER THE OCCUPATION

Policies of the Allied occupation of Japan have molded to a significant degree the postwar status of the Japanese textile industry. Action by the Supreme Commander for the Allied Powers (SCAP) toward rehabilitating the Japanese textile industry has been the result of the implementation of Allied occupation objectives as set forth in the Potsdam declaration and subsequent Far Eastern Commission (FEC) policy decisions.

It was early recognized that the occupation of Japan would entail large financial outlays by the United States to sustain the Japanese people in order to prevent disease and unrest which would endanger the security of the occupation forces. As a measure to keep to a minimum the United States financial outlays, it was decided to rehabilitate Japanese textile industries as rapidly as possible. This decision was dictated not only by the prewar experience of Japan's textile industries, but also by a number of other favorable factors. The world shortage of textiles, stemming from the economic dislocations caused by the war, provided a ready market for Japan's output. Stocks of raw cotton and wool were more readily available than some of the other raw-material imports necessary for the manufacture of commodities for export; and stocks of raw silk, an entirely indigenous product, were immediately available for export. Finally, effort was directed toward the textile industries too, because they were not war-supporting industries.

Steps Toward Rehabilitation

The first step in Allied policy toward this end was the sending of a fact-finding mission to Japan in January 1946 to appraise the capabilities of the Japanese textile industry. The Textile Mission consisted of Representatives of China, India, the United Kingdom, and the United States.³ The Textile Mission found that Japan's textile industries had suffered great devastation during the war, not only from bomb damage, but also from the organized scrapping of textile machinery by the Japanese Government, and had emerged with about one third of their prewar capacity. Most of the spindles, looms, reeling basins, et cetera, that remained needed rehabilitation to be operable. Despite their seriously impaired productive capacity, however, the textile industries appeared to be the major crutches upon which the broken Japanese economy would have to lean heavily, particularly in the early postwar years.

The conclusions of the Textile Mission supported the hypothesis held in Washington that of all Japan's textile industries the cotton-textile industry could be most easily rehabilitated. The existence in the United States of large Government-held stocks of raw cotton made this step feasible. In February 1946, the War Department, the U. S. Commercial Company (USCC), the Com-

modity Credit Corporation (CCC), and the Department of State, as a concurring agency, entered into an agreement under which about 900,000 bales of raw cotton, held by CCC, was sent to Japan during the ensuing year and a half for manufacture. At least 60 percent of the finished yarn and piece goods was to be sold by the USCC and the proceeds applied to the cost of the raw cotton. Under the agreement the balance of the textiles could be used for domestic consumption, but the need to maximize foreign-exchange receipts to pay for food and other essential imports resulted in the decision that a smaller quantity would be retained than allowed in the contract. Under an extension of this agreement executed in July 1947 an additional 350,000 bales of raw cotton and spinnable cotton waste was supplied Japan from the United States.

In addition, SCAP-negotiated agreements with India and Egypt have provided for Japanese imports of 170,000 bales of Indian cotton and 5,000 bales of Egyptian cotton. From July 1946, when raw-cotton imports were first reflected in increased cotton-yarn production, through September 1947, Japan produced 330,500,000 pounds of cotton yarn, part of which was woven by the latter date into 705,800,000 square yards of cloth.⁴

With the encouragement of the United States Government and SCAP, the Japanese Government and the textile industries formulated plans for the rehabilitation of the industries. On December 30, 1946, SCAP granted the cotton-spinning industry permission to borrow 600 million yen for rehabilitation purposes.⁵ On February 7, 1947, SCAP authorized the rebuilding of the cotton-textile industry to the level of four million spindles;⁶ and on April 4, 1947, SCAP authorized the rebuilding of rayon capacity to a level of 150,000 metric tons annually.⁷

SCAP encouraged raw-silk production in the belief that large quantities could be sold, especially to the United States, although in smaller quantities than in the prewar period. During 1946 and 1947, however, it became clear that competition from synthetic fibers and high prices for raw silk had reduced the raw-silk market even more than had been anticipated, although it appeared that the market for Japanese-produced silk fabric had perhaps been underestimated. In July 1947, SCAP authorized the release of 10,000 bales of raw silk a month to Japanese weavers for manufacture into silk fabric for export.

³ *The Textile Mission to Japan*, Report to the War Department and to the Department of State, January-March 1946 (Department of State publication 2619).

⁴ SCAP report to Chief of Staff, U.S. Army, Washington; radio no. Z28684, Nov. 13, 1947.

⁵ SCAPIN 1427 (Memorandum for the Japanese Government).

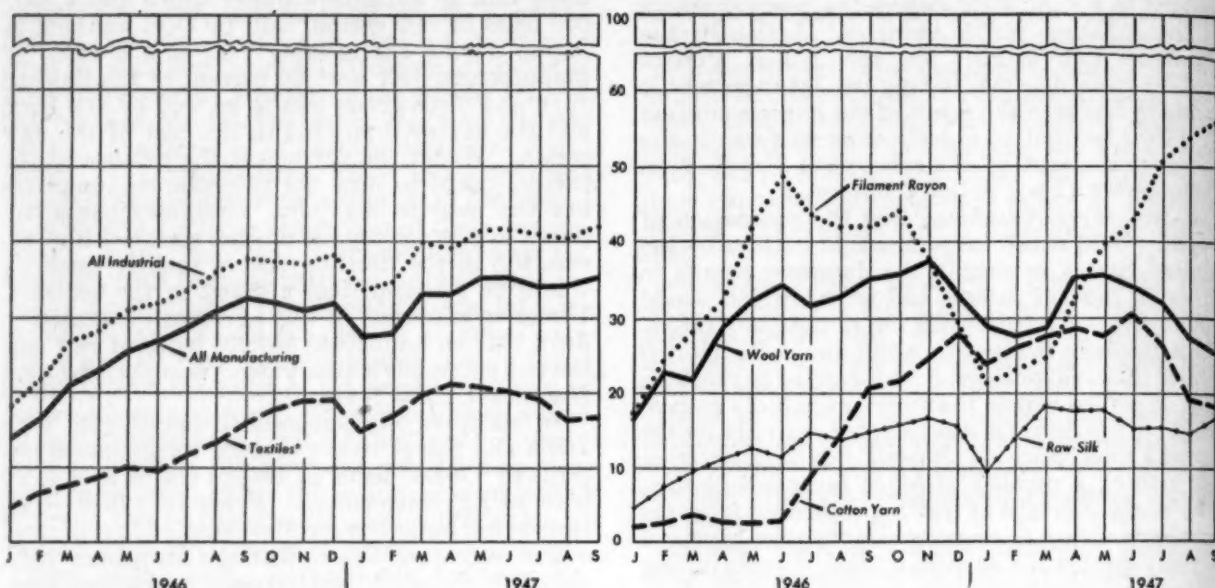
⁶ SCAPIN 1512.

⁷ SCAPIN 1600.

INDEXES OF JAPANESE TEXTILE PRODUCTION

JANUARY 1946 — SEPTEMBER 1947

1930-34=100



*Includes only raw silk, cotton, wool and spun silk yarn; seed cotton, wool, and rayon woven goods.

CS/O 344

In August 1947 SCAP released a program for the rehabilitation of the woolen industry. This program envisaged the rebuilding of the industry's capacity to a level of 733,000 worsted spindles and 815 woolen cards and the consumption of 665,000 bales of wool annually.⁸

FEC Policies

Certain policy decisions by the Far Eastern Commission have created a framework within which the textile industry must function. One such decision, issued January 23, 1947, determined "that the peaceful needs of the Japanese people should be defined as being substantially the standard of living prevailing in Japan during the period of 1930-34". Although this policy does not fix a specific maximum level for any particular industry, with reference to the textile industry this policy might be taken to mean that domestic consumption of textiles in peacetime Japan should average not more than about 8.7 pounds per capita, the average 1930-34 consumption. However, this level is far above present levels and is unattainable at the present time owing to the low level of textile production and the need to maximize exports.

Another FEC policy decision, issued February 27, 1947,⁹ established the policy on grounds of the

world-wide shortage of textiles that Japanese use of textiles through December 31, 1947, should not exceed an annual per-capita consumption of two and a half pounds for all household textiles and clothing, with specified additional amounts available for workers and farmers and others at the discretion of SCAP. Actual consumption in 1947, however, has averaged less than this level—perhaps two pounds per capita. Although this policy decision is no longer operative due to the passage of time, it is nearly certain that Japanese domestic consumption during 1948 will not exceed two and a half pounds per capita and will probably be less than two pounds.

Postwar Textile Output

Despite serious efforts by the Japanese Government and encouragement from SCAP, in August 1947 the monthly index of textile production was below the average for all manufacturing groups, although textile output has increased more rapidly than that of some other industries. The index of factory production¹⁰ for January 1946 stood at 13.5 (1930-34=100) while textiles during the same month registered only 4.5. In this month the overall index of industrial production was 17.7. By April 1947 the textile group had reached 21.0, its postwar peak, compared with 32.8 for the manufacturing group as a whole and 39.0 for over-all industrial production. Since April, however, the textile index has dropped considerably owing to reduced availability of cotton. Chart 2 summarizes the production indexes for cotton, silk, rayon, and wool since the end of the war.

⁸ SCAP, *A Program for the Japanese Woolen Industry*, Aug. 25, 1947.

⁹ BULLETIN of Mar. 30, 1947, p. 574. See also a correction in BULLETIN of May 25, 1947, p. 1041.

¹⁰ SCAP, *Japanese Economic Statistics*, Bulletin No. 13, September 1947, pp. 7-9.

The major reasons for low textile production lie not so much in the slow rehabilitation of productive capacity as in the means for putting present capacity into operation. In each of the textile industries more machinery is in operable condition than is actually in operation. Shortages of raw materials, labor, and fuel have presented the most serious problems in the effort to increase textile production. Trade and credit difficulties have resulted in such an inadequate and uneven flow of raw cotton, wool, and rayon pulp that production schedules have been disrupted. Many textile workers who moved to rural areas as a result of urban bombings during the war have been reluctant to leave those areas, where food is comparatively ample, to work in industrial communities where there are serious food shortages. Power lags, which become particularly serious during the dry season (one fourth of the year), have forced certain textile mills to close down one or more days a week. Aggravating these operational difficulties, the general problem of inflation and uncertainties concerning financial issues have militated against investment and thus against increased production in the textile industry.

Textiles in Japan's Postwar Trade

Although the textile industries have not reestablished their prewar position relative to the other industries in Japan since the surrender, a major portion of Japanese foreign trade has been textiles. In 1946, one third of the value of Japan's imports consisted of textile raw materials, almost all of which was raw cotton. Textiles, mostly raw silk, represented over two thirds of Japan's total exports. It should be noted, however, that almost all of the raw silk exported in 1946 was on consignment to the Uscc and more than two thirds of this silk remained unsold at the end of 1946.

It was not before 1947 that the raw cotton imported in 1946 was available for export, and trade statistics for the first eight months of 1947 are somewhat more realistic as a pattern of Japanese postwar trade. Textile raw-material imports during this period amounted to 31 million dollars, almost all of which was spent for raw cotton, or approximately 9 percent of total imports.¹¹ Textile exports, on the other hand, accounted for 94 million dollars, or 77 percent, of total exports;¹² of total textile exports, cotton yarn and piece goods contributed 74 million dollars, or 79 percent; raw silk and silk piece goods, 11 million dollars, or 12 percent; rayon yarn and piece goods and wool yarn and piece goods, approximately 3 million dollars apiece, or 3 percent each. It is apparent from these figures that silk exports suffered a great decline between 1946 and 1947 and that cotton exports had become much more significant. If silk-fabric exports expand in the future, as seems very likely, this relation between silk and cotton exports—the major textile-export items in

Japan's prewar trade—may be less far apart in the future.

Until August 15, 1947, trade with Japan was conducted almost entirely on a government-to-government basis. The Japanese Government Board of Trade, *Boeki Cho*, was the nominal principal on the Japanese side of all export and all import transactions. In practically every such transaction the buyer from or seller to Japan was a foreign government or government corporation (the U. S. Commercial Company in the case of exports to the United States) or private firms specifically designated by their governments to carry on trade with Japan. Private businessmen were invited to Japan for the first time under the occupation in the summer of 1947 with August 15 as the opening date. Beginning September 1, *Boeki Cho* was authorized to enter into sales contracts with private foreign traders in Japan for the export of practically all types of Japanese goods currently being produced for export, with the exceptions of cotton textiles, raw silk, and the 1947 tea crop. With reference to cotton textiles, the U. S. Commercial Company's sales policy was to sell only to governments in order to keep sales on a large-scale basis, to keep selling expenses low, and to avoid the problem of discriminating among competing private firms in foreign countries. Raw silk was not at first offered to private buyers because the Uscc had given certain price guaranties to the silk trade in the United States, and price and sales policies to be followed by *Boeki Cho* had to be carefully coordinated with those of Uscc. When this coordination was accomplished, raw silk was added to the list of commodities which could be purchased by private foreign traders in Japan.

Restrictions on the entry of businessmen into Japan were relaxed in February 1948 so as to provide for longer stays in Japan and for semi-permanent residence.¹³ It is hoped that these changes in SCAP regulations will increase substantially the number of foreign traders in Japan and lead directly to an expanded volume of foreign trade. It is assumed, for example, that many American and foreign firms specializing in the textile trade will consider establishing offices or agencies in Japan through which they can arrange to secure Japanese textiles to fill the needs of their customers. Eventually Japanese nationals will be permitted to travel abroad for commercial purposes and the marketing of textiles will undoubtedly be a fruitful commercial activity for such travelers. In the meantime, however, it

¹¹ SCAP, Economic and Scientific Section, *Report on Japanese Trade for the Far Eastern Commission*, Dec. 5, 1947.

¹² It is reported that for all of 1947, textiles represented 56 percent of Japan's exports.

¹³ BULLETIN of Feb. 22, 1948, p. 254.

will be necessary for foreign textile merchants to market Japanese production.

A change in trade procedure occurred at the end of 1947 when the Uscc terminated its Japanese program. Its responsibility for the sale of raw silk, silk piece goods, cotton yarn, and cotton piece goods in the United States was transferred to a newly established "SCAP Foreign Trade New York Office" under the supervision of a SCAP representative who also acts as an agent of *Boeki Cho*. This office will be maintained only until private trade channels have been opened up sufficiently to assure a maximizing of Japanese export proceeds without such an agency. The office is empowered to negotiate contracts with American dealers for Japanese commodities, in addition to the ones mentioned above, although American dealers and foreign traders will be able to buy goods in Japan on the same terms and at the same prices as those quoted by the New York office. The office also maintains a showroom, makes Japanese trade information available to the United States market, and supplies United States market information to SCAP and *Boeki Cho*.

THE FUTURE UNDER THE OCCUPATION: PROBLEMS AND PROSPECTS

The significance of textiles in the Japanese economy makes the rehabilitation of Japan's textile industries essential to a self-supporting economy, and consequently, to the successful achievement of the aims of the occupation and a minimization of the costs to the United States and its Allies of supporting Japan. The rehabilitation of the Japanese textile industries is dependent partly upon the solution or amelioration of Japan's domestic economic problems, partly upon United States and Allied policies, and partly upon the world conditions of supply and demand for textile raw materials and finished products. The extent to which these industries are rehabilitated will be a factor in determining the post-occupation status of the Japanese economy and the contribution which Japan can make to the rehabilitation of the world economy.

Japan's internal economic problems, such as the availability of trained labor and of fuel and power for textile mills, are affected by occupation policy even though it is not within the purview of the Allied occupation to engage in the operations of Japanese industry. For example, the availability of labor can be correlated with the availability of food in urban areas; the adequacy of food, in turn, is determined partly by the amount of United States outlays, partly by the volume of Japanese exports to pay for food imports, and partly by world food supplies.

As long as the occupation continues and the Japanese are not permitted to participate freely in world trade, Allied policies will affect the procurement of textile raw materials and the mar-

keting of finished textiles. Even the most favorable Allied policies toward the rehabilitation of the Japanese textile industries, however, cannot solve the problems of world shortages of raw materials or market antipathy toward the products Japan is trying to sell.

Cotton

The cotton-textile industry, which may be expected to continue to provide a large share of Japan's exports, is the one which is most seriously confronted with raw material and market problems. The policies of the United States Government and Fec do not restrict Japanese raw-cotton imports to American sources, but provide for procurement from all world sources. Although, as noted above, Japan has received raw cotton from India, the development of the Indian cotton-spinning industry and internal political difficulties may preclude the procurement of as large quantities from India and Pakistan as before the war.

The procurement of United States raw cotton has had the effect of requiring Japan to export cotton textiles for dollars. Although the contract with the Ccc does not require textiles to be sold for dollars, its requirement that it receive the dollar value of textiles manufactured from Ccc cotton at the time of delivery, has meant that *Boeki Cho* cannot sell for currencies other than dollars unless an equivalent sum in dollars is available from some other source. For a number of months the acute shortage of cotton textiles led nondollar countries to make sufficient dollars available to buy about half of the exportable cotton textiles produced with the first Ccc cotton. The growing shortage of dollars, accumulating stocks in Japan, and a less urgent world demand for cotton textiles open the possibility of Japanese cotton goods entering the United States. Because of the present tariff structure, however, it is doubtful whether the volume of cotton textiles which Japan could sell in the United States would be large enough to have an effect on the United States market which American producers supplied with their output of almost 10 billion square yards in 1947.

Silk

The Japanese silk industry has no raw-material problem, but, as noted, it has suffered from the failure of Japan's former markets, especially the United States, to import significant quantities of raw silk. No large increase in exports of raw silk is anticipated because of the greater popularity of nylon for hosiery, although silk fabrics have certain desirable qualities not found in fabrics made from synthetic fibers. Raw-silk exports will probably go almost entirely for fabric manufacture in the United States, France, and the United Kingdom, and it is believed that during the next few years Japanese-manufactured silk-fabric exports will increase substantially.

Wool

The Japanese woolen industry has both a raw-material and a market problem. The industry is almost wholly dependent upon imported wools which before the war came chiefly from Australia. A small quantity of Australian wool was shipped during the latter part of 1947 on a virtual cash dollar basis. At the beginning of 1948 the Australian Government announced that Australia would exchange raw wool for Japanese textiles and other products, in amounts depending upon the volume of Japanese goods which Australia is able to use. No details as to quantities of materials concerned have at present been announced.

Japan's major wool-textile markets before the war were China, Manchuria, Korea, and other Far Eastern countries. As long as present political and economic conditions in the Far East continue, Japan will have to look elsewhere for its wool textile export markets. It would appear that both raw material and market problems will limit the extent of rehabilitation of the Japanese wool industry.

Rayon

The Japanese rayon industry could probably sell its products without much difficulty in world markets today because of the current rayon short-

age. In order for Japan to manufacture rayon of suitable quality for export, however, rayon pulp must be imported since most domestic rayon pulp is of inferior quality. A world shortage of rayon pulp as well as credit difficulties have prevented significant rayon-pulp purchases. Internally, Japanese producers have faced the problem of securing coal for rayon production, a serious obstacle because of the coal shortage. A larger quantity of coal is required to produce a given quantity of rayon textiles than is required to produce a comparable quantity of cotton, wool, or silk textiles. As long as Japan suffers from an acute shortage of coal, it may be uneconomical to divert to the rayon industry coal which otherwise could be used by other branches of the textile industry (e.g., cotton) in production for export. In addition, certain essential chemicals—caustic soda and sulphuric acid—are produced in Japan only from imported raw materials and coal, and hence are also in short supply. Thus, the rehabilitation of the rayon industry will be determined by the availability of rayon pulp, coal, and chemicals.

It may take from five to ten years to solve the problems which are facing Japan's textile industries today. The significance of these industries to the Japanese economy and to United States and Allied policies make these problems of concern to us.

THE CONGRESS

Development and Control of Atomic Energy. S. Rept. 850, 80th Cong., 2d sess., pursuant to Public Law 585, 79th Cong. 9 pp.

The United States Information Service in Europe. Report of the Committee on Foreign Relations, pursuant to S. Res. 161, a resolution authorizing the Committee on Foreign Relations to make an investigation of the effects of certain State Department activities. S. Rept. 855, 80th Cong., 2d sess. vii, 23 pp.

National Aviation Policy. Report of the Congressional Aviation Policy Board, Congress of the United States, pursuant to Public Law 287, 80th Cong., an act to provide for the establishment of a temporary congressional aviation policy board. S. Rept. 949, 80th Cong., 2d sess. vi, 57 pp.

Amending section 13 of the Surplus Property Act of 1944, as amended, to provide for the disposition of surplus real property to states, political subdivisions, and municipalities for use as public parks, recreational areas, and historic monument sites. S. Rept. 970, 80th Cong., 2d sess. 6 pp.

Organization of Federal Executive Departments and Agencies. S. Rept. 983, 80th Cong., 2d sess. 3 pp.

Protocol Extending the International Coffee Agreement: Message from the President of the United States transmitting the protocol for the extension for one year from October 1, 1947, subject to certain conditions, of the Inter-American Coffee Agreement signed in Washington on November 28, 1940. The protocol was signed September 11-November 1, 1947. S. Doc. Executive A, 80th Cong., 2d sess. 6 pp. [Department of State, pp. 2-3.]

Consular Convention with Costa Rica. Message from the President of the United States, transmitting the consular convention between the United States of America

and the Republic of Costa Rica, signed at San José on January 12, 1948. S. Doc. Executive D, 80th Cong., 2d sess. 14 pp. [Department of State, 2-3.]

Aid to Greece and Turkey. Report of the Committee on Foreign Relations on S. 2358. A bill to amend the act approved May 22, 1947, entitled "An act to provide for assistance to Greece and Turkey". S. Rept. 1017, 80th Cong., 2d sess. iii, 38 pp. [Department of State, 2-3, 17-38.]

Aid to China. Amended report of the Committee on Foreign Relations on S. 2393. A bill to promote the general welfare, national interest, and foreign policy of the United States by providing aid to China. S. Rept. 1026, 80th Cong., 2d sess. iii, 20 pp.

Investigation of the Shortage of Petroleum, Petroleum Products, and Natural Gas. S. Rept. 1048, 80th Cong., 2d sess., to accompany S. Res. 210. 2 pp.

First Report of the Joint Committee on Atomic Energy to the Congress of the United States. H. Rept. 1289, 80th Cong., 2d sess. 9 pp.

Transportation as it Affects the European Recovery Program. Preliminary Report Seventeen of the House Select Committee on Foreign Aid, pursuant to H. Res. 296, a resolution creating a special committee on foreign aid. H. Rept. 1504, 80th Cong., 2d sess. ii, 61 pp.

Report on Greece. Preliminary Report Twelve, Subcommittee on Italy, Greece, and Trieste, of the House Select Committee on Foreign Aid, pursuant to H. Res. 296, a resolution creating a special committee on foreign aid. H. Rept. 1505, 80th Cong., 2d sess. ii, 12 pp.

Report on Germany. Preliminary Report Thirteen, Recommendations by Subcommittee on Germany, of the House Select Committee on Foreign Aid, pursuant to H. Res. 296, a resolution creating a special committee on foreign aid. H. Rept. 1500, 80th Cong., 2d sess. ii, 6 pp.

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SECOND SESSION OF THE ADMINISTRATIVE COUNCIL OF THE INTERNATIONAL TELECOMMUNICATION UNION

By Helen G. Kelly

The Administrative Council of the International Telecommunication Union held its second session at Geneva, from January 20 to February 11, 1948. The Administrative Council, which was set up by the International Telecommunication Conference at Atlantic City in the autumn of 1947, constituted one of the outstanding innovations in the reorganization of the Union. Its particular purpose was to assure the continuity of the authority of the Union in the interval between plenipotentiary conferences, as well as to assure the coordination of the activities of the other permanent organs of the Union and of the Union with other international organizations such as the United Nations and the International Civil Aviation Organization (ICAO). The Telecommunication Conference elected the following 18 countries as members of the Council: Argentina, Brazil, Canada, China, Colombia, Egypt, France, Italy, Lebanon, Pakistan, Poland, Portugal, Switzerland, Turkey, the Union of Soviet Socialist Republics, the United Kingdom, the United States, and Yugoslavia.

¹ The Council, at its first day's meeting, was presented with a difficult problem. The Soviet Administration, three days before the convening of the Council, sent a telegram to the Secretary General of the Union advising that its Representative was ill and would be unable to attend. The Soviet Administration requested that the Council session be deferred until March 1. Considering this problem as the first item on its agenda, the Council reached the conclusion that the meeting should not be postponed. It based its decision on the fact that by the time the Soviet Administration had notified the Secretary General most of the representatives had either arrived at Geneva or were en route thereto. Since many had come long distances, it was felt that the expenditure of funds was too great to allow a postponement. In addition, it was maintained that the members of the Council are countries and not individuals and that a second representative should be designated in the event that the first one is unable to attend.

No provision had been made in the convention for the appointment of an acting chairman, and the second problem confronting the Council was one of interpretation of the new convention. The Council finally elected by unanimous vote the United States Representative, Mr. de Wolf, as acting chairman. It included a provision in the rules of procedure that in the future, should a similar situation arise, the four vice chairmen would choose an acting chairman by agreement or by lot.

At its first session, an organizational meeting held at Atlantic City, the Council elected the following countries as vice chairmen: China, France, the Union of Soviet Socialist Republics, the United Kingdom, and the United States. Francis Colt de Wolf, Chief of the Telecommunications Division of the Department of State, was designated by this Government as the Representative of the United States on the Council. In accordance with the provisions of the convention, the vice chairmen then chose the chairman of the Council by agreement among themselves and their unanimous choice was the Union of Soviet Socialist Republics. Mr. Fortoushenko, the chairman of the Soviet Delegation to the three Atlantic City conferences, served as the Soviet Representative and hence as the chairman at this first session. The second session was scheduled to convene at Geneva on January 20, 1948.

At its second session the Council met daily except Sunday for three weeks and reached approximately 35 decisions, resolutions, and opinions which were consolidated into one document at the end of the session. These covered a wide field including practically every phase of the operation of the Union.

The members of the Council enumerated above were represented at the second session, with the exception of the Union of Soviet Socialist Republics.¹ The Polish, Turkish, and Colombian Representatives arrived late, and Brazil was represented by its Minister at Bern. The Chairman of the International Frequency Registration Board (IRRB) and the Director of the International Telephone Consultative Committee (CCTT) sat as observers at the meetings of the Council as provided in the convention.

Mr. de Wolf was assisted at the second session by two advisers, Helen G. Kelly and John D. Tomlinson, both of the Department of State.

Among the more important administrative and financial decisions of the Council were the following:

1. The Council approved the budget for 1948 at the ceiling of 3,000,000 Swiss francs set by the At-

Atlantic City conferences. In this connection it may be mentioned that the Council was most economy-minded and viewed with disfavor any unnecessary expenditure of funds and particularly any attempt to exceed the ceiling mentioned above. The Budget Subcommittee, which undertook its task of the examination of the finances of the Union in a most serious and painstaking manner, presented a report which the Council adopted with very little discussion.

2. The original provision that the General Secretariat of the Union (formerly called the Bureau of the Union) should be transferred from Bern to Geneva during the current year was set aside because of the lack of funds. The Council agreed to this measure in order that it might remain within the budgetary limitations set at Atlantic City. The transfer of the General Secretariat will take place on January 1, 1949.

3. The Council agreed to the transfer of the International Telephone Consultative Committee (CCTT) secretariat and laboratories to Geneva during the course of 1948, the expense for moving being defrayed by the CCTT itself.

4. The Council agreed that as of January 1, 1949, the free distribution of the documents of the Union should be discontinued. This was made necessary by the provision of the new convention that French, English, and Spanish should be the working languages of the Union instead of only French as in the past. It was agreed that the accounting necessary by the General Secretariat would be too difficult since it would require the estimation of the costs involved in preparing documents in three different languages, where many of the expenses would be common to all three languages but in different proportion.

The agenda contained numerous items concerning various aspects of the relationship between the Union and the United Nations, as well as with other international organizations. Most of these items were deferred to the September meeting of the Council because of the lack of time. In the meantime, reports will be prepared by the Secretary General on many of these questions and final decisions will be reached at the September meeting. In general the attitude of the Council toward the United Nations was one of cooperation and friendliness. However, as at Atlantic City, there was evidenced a desire to remain autonomous. A lack of coordination between the Secretariat of the United Nations and the Secretariat of the Union was obvious, particularly in the failure of the United Nations Secretariat to bring to the attention of the Union Secretariat matters of direct concern to the Union. The Secretary General of the Union was directed by the Council to bring this matter to the attention of the Secretary-General

² This is the first conference to be called by the Union and not by an inviting government.

of the United Nations and to discuss it informally with the Director of the Transport and Communications Division of the United Nations Secretariat.

The Council also considered the question of IRTU representation at international conferences (other than IRTU conferences) in which the Union is interested. There was some thought that the Union could be represented by one of the officials of the General Secretariat or by a member of the Administrative Council. After discussion it was finally agreed that no one person could make decisions for the Union at such meetings but that it was desirable to have the Union represented by the Secretary General or a person designated by him who would supply information concerning the Union but who would go no further.

The Council approved the calling of the International Administrative Aeronautical Radio Conference at Geneva on May 15, 1948.² In accordance with the decision of the Council, a telegram was sent to the signatories of the Atlantic City convention, requesting their approval of the calling of this Conference. The approval of a majority, as required before the Conference could be convened, was attained. It was decided that a preparatory group of experts would proceed to Geneva three weeks before the Conference convenes to prepare its agenda.

The Council also approved the calling of the Administrative Telephone and Telegraph Conference at Paris on May 1, 1949, by the French Government. In addition it approved a recommendation by the Provisional Frequency Board (PFB) of the Union for the convening of certain regional conferences to implement the decisions of the Atlantic City Radio Conference.

Various political questions arose and were forwarded to the Council while it was in session. The first was a request for an expression of opinion from the preparatory committee of experts of eight countries at Brussels preparing for the European Broadcasting Conference at Copenhagen. The Soviet Delegation to the Committee of Eight had requested a provision in the rules of procedure requiring unanimity in all decisions reached. The Council advised the Committee of Eight that, while the latter was free to adopt its own rules of procedure, the Council looked with disfavor on the adoption of a rule contrary to the long-established custom and spirit of the IRTU.

The second resulted in the approval by the Council of the participation of the International Broadcasting Organization (OIB) in the forthcoming International Radio Consultative Committee (CCTT) Conference at Stockholm.

The third was the report of the chairman of the Provisional Frequency Board (PFB), which outlined the progress of the Board up to date and included a statement on the divergence of views between the Soviet Delegation and the United

(Continued on page 555)

THE UNITED NATIONS AND SPECIALIZED AGENCIES

U.S. Regards Information to Security Council on Political Developments in Czechoslovakia Necessary

STATEMENT BY AMBASSADOR WARREN R. AUSTIN¹

U.S. Representative in the Security Council

The Security Council has been considering the serious charges made before it both against the Soviet Union and the present Czechoslovak Government with respect to the recent events that have taken place in Czechoslovakia.

It is charged that the Government of the Czechoslovak Republic, legally constituted by the parliamentary election of May 1946, has been undermined by a Communist minority which was encouraged and given promise of help by the representatives of the U.S.S.R.

It is said that the Communist coup was successful only because of the violence of a Soviet-supported Communist minority; because of the participation of Soviet representatives; and the threat of military force of the Soviet Union in readiness near the boundaries of Czechoslovakia. Soviet officials and military representatives are alleged to have taken part in meetings and demonstrations in Prague during the crisis. It was further alleged that Soviet officers participated in the arrest of non-Communist political leaders; that Soviet agents worked in the Ministry of Interior which controls the police and the security troops; and that Soviet agents were also among the armed militia in the streets of Prague.

Allegations were made in support of the charge that Czechoslovakia was subject to indirect aggression and political infiltration which led to the subversion of the parliamentary regime and to the establishment of a terroristic police rule under the present regime.

It is further charged that the political independence of Czechoslovakia, a member of the United Nations, has been violated by threat of use of force on the part of another member of the United Nations, the U.S.S.R., in violation of paragraph 4 of article 2 of the Charter, and that as a result a situation exists which is likely to endanger the maintenance of international peace and security.

It has been argued that these charges cannot be considered by the Security Council because of the provision contained in article 2 (7) of the Charter providing that the United Nations cannot intervene in matters which are essentially within the domestic jurisdiction of a state. However, the charges are based on the allegation of an illegal

intervention of one state in the internal affairs of another state leading to the impairment of its political independence. Moreover, the restoration and maintenance of democratic institutions in liberated Europe, including Czechoslovakia, was made the subject of an international agreement concluded at Yalta by Marshal Stalin, Prime Minister Churchill, and President Roosevelt in February 1945. Consequently, if the charges are true, article 2(7) could clearly not be a bar to Security Council jurisdiction over the Czechoslovak question. The taking of evidence is the way to settle whether the charges are a premeditated quota of slander, as charged by the Soviet Union.

In the charges before us we are not faced with an account of armed forces moving across the frontier from one state to another in pursuance of an aggressive purpose. In such case of a "use of force" the problem of evidence for all practical purposes would not arise. However, the charges before us are that a "threat of force" was used. The Security Council must determine whether "threat of force" was used or some other form of pressure or illegal interference was applied. All the facts in this case are not readily apparent, but the seriousness of the charges is such that the Security Council is bound to make every effort to "get at the facts".

The Chilean Government, which brought the Czechoslovak question before the Security Council originally, requested the Security Council to conduct an investigation. A proposal has now been submitted by the Chilean Government for the creation of a subcommittee to hear witnesses and report to the Security Council on the nature of their testimony. We believe that this might be a convenient method for the Security Council to understand the Czechoslovak situation. I assert that the United States is behind this proposition if it is made by a member of the Council.

What were the events that led up to the death of the Foreign Minister of that country and to the numerous resignations of Czechoslovak diplomatic representatives in the United States, Canada, Netherlands, Norway, France, and elsewhere? Is the death of Masaryk propaganda poison? Are these resignations deceit circulated abroad? Why is there present along the Czechoslovak frontier an unusually heavy frontier guard and what is the significance of the flight from that country of

¹ Made in the Security Council on Apr. 12, 1948, and released to the press by the U.S. Mission to the United Nations on the same date.

numerous refugees and particularly political figures whose reputation and integrity were not thrown into question prior to the rise of the new regime?

Certain facts on the developments in Czechoslovakia itself are a matter of common knowledge. They have not been reviewed in detail here, however, and they should be. They constitute the framework of internal developments against which the charges of external interference must be considered.

The Czechoslovak Government crisis was precipitated by the unwillingness of Premier Gottwald and the Communist ministers to respect two majority decisions of the Cabinet with reference to the administration of the police power under the Communist Ministry of Interior. The latter was making arbitrary appointments of police officials in a process of extending Communist control. The 12 non-Communist ministers resigned in protest as an appropriate parliamentary response to a refusal of a Cabinet minority to abide by the wish of the Cabinet majority. The Communists seized upon this as an occasion for breaking the opposition, discrediting its leaders, and taking over full control of the Government. How was it possible that this minority party could successfully overthrow the elected Government of Czechoslovakia and establish in effect a police regime?

At the time of the crisis the Communist Party was already in control of the security police, the state broadcasting apparatus, and had also secured important influence in the armed forces. This control arose as a result of a series of circumstances, beginning with the signing of a friendship treaty between Czechoslovakia and the U.S.S.R. on December 12, 1943. This was an expression of a desire on the part of the Czechoslovak Government to maintain close relations with the Soviet Union in the genuine belief that Czechoslovakia, when liberated from German occupation, would be able to continue its democratic Government and institutions without intervention from her powerful neighbor. This treaty, in fact, included a clause stipulating nonintervention by either of the parties in the other's domestic affairs. It is perhaps significant to note that this treaty was one of a series of treaties signed between the U.S.S.R., Bulgaria, Hungary, Rumania, and Poland, all of which contained this guaranty. Now I ask you, are these allegations based on newspaper reports, or are they based on solemn conventions? At the same time, the Czechoslovak leaders declared their willingness to include representatives of the Communist Party in a new Cabinet, although it had never before participated in any Czechoslovak Government. They showed more than good will to cooperate with the Soviet Union and with the Communists. In the negotiations that took place in 1945 in Moscow among Czechoslovak leaders with regard to the formation of a

new Cabinet, the Communists managed to secure the key posts of Interior, Information, Agriculture, and Education. In addition, the Communists had a stronghold in the Ministry of Foreign Affairs through the Undersecretary of State and in the Ministry of National Defense, which was headed by General Ludvig Svoboda, a professional soldier who had led the first Czechoslovak brigade in the U.S.S.R. and whose pro-Soviet sentiments are well known. These key positions as a rule, according to the Czechoslovak parliamentary practice, went to the party that received the strongest support in the elections. We can only speculate on what basis the Communists obtained them during the Moscow discussion.

Control of key posts in the Government placed the Communists during the period immediately after Czechoslovak liberation in a dominant position entirely out of proportion to their popular support. Through the Ministry of Interior they controlled the police, which they soon reorganized into the National Security Corps based on the Soviet model. The Ministry of Information gave them control over the use of mass media of communication for propaganda purposes, and the Ministry of Agriculture placed them in a position to compel allegiance from agricultural workers and small peasants.

Moreover, it will be recalled that at the time of the liberation from the German occupation four fifths of the country was occupied by Soviet troops and remained so occupied for eight subsequent months.

Despite these advantages enjoyed by the Communist Party, 62 percent of the vote in the first postwar election went to the non-Communist parties. Nevertheless, in subsequent developments the Communists ignored the fact that they were a minority and attempted to discredit and undermine non-Communist parties such as the Slovak Democrats and the National Socialists.

The Communists had given sufficient evidence before the recent seizure of power that they could not and would not tolerate any political opposition, which they identified as treason to the state. This was brought out at the time of the coup by immediate formation of action committees, the sudden appearance of a well-disciplined and fully armed factory militia in Prague, and the swift and ruthless purge of the non-Communist leaders. These steps reveal a high degree of preparation, a high degree of organization, for seizure of power. It is a pattern designed to usurp control of a state. We should ascertain to what extent outside assistance contributed to this thorough preparation. It shows how impossible it is for those who believe in government through democratic processes and parliamentary methods to cooperate in good faith with the Communists. At the time of the coup the tension in Czechoslovakia was heightened by reports of Soviet intervention and of the

presence of a large number of Soviet agents in the country. It was at this time that Soviet Deputy Foreign Minister Zorin arrived in Prague. Shortly thereafter during the crisis there appeared on the streets of Prague special heavily armed police shock regiments. These regiments under the command of the Communist Minister of Interior were called out to patrol the streets and to search the headquarters of opposition parties. Great numbers of armed factory militia also appeared in Prague, marching in military formation, wearing red arm bands, and carrying the Soviet flag.

All the indications of the birth of a police state were evident: complete seizure of control over broadcasting facilities, elimination of non-Communist newspaper editors, suppression of a number of non-Communist periodicals, and the imposition of complete censorship. Since the *Putsch* no true opposition publications exist in Czechoslovakia. Virtually all journalists hitherto critical of the Communists have been purged. A large number of journalists have been expelled from the association of Czech journalists, among them Lev Sychrava, Delegate to the United Nations Commission on Freedom of Information and winner of a 1947 prize as the best Czech journalist.

All non-Communist parties were purged and a number of non-Communist functionaries were arrested.

"Action committees" were formed and given full administrative control over the duly constituted organs of the Republic. There was no existing basis in Czechoslovak law for any such act.

Yet according to reports available here very little overt opposition to the Communist coup was apparent. How are we to understand that the majority of the Czechoslovak people, known for their traditional adherence to democratic majority rule, acquiesced to the Communist minority? Could it be that the coup occurred because over the shoulder of the minority glared the face of a foreign power? Is it not significant that the minority was led by individuals indoctrinated by a foreign power who had been in close association with its authorities?

There are men of universally respected reputations who have for years been a part of Czechoslovak political life and who have now found it necessary for a second time in ten years to flee their homeland. They were present during the crisis and can perhaps shed some light on the question of how it was that totalitarian police-state methods were substituted for traditional Czech democratic procedure without any significant overt expression of protest on the part of the Czechoslovakian people.

As has been pointed out in the Security Council discussions, the Czechoslovak story assumes added significance when compared with developments that have taken place throughout eastern and cen-

tral Europe. In Hungary, Bulgaria, Rumania, and Poland, while details varied, the general pattern was the same. Like Czechoslovakia, all these countries have been occupied by the Soviet armies. The chief steps were the acquisition by the Communists of key posts in the Cabinet; control of the police; control of the armies; control of the media of mass communications; and finally control of or subversion of the judiciary. In none of these countries did the Communists enjoy popular support sufficient to warrant their commanding position in the government. In such countries where truly free elections were held they received as little as 17 percent of the total vote, and the largest vote they received was 38 percent.

There is a striking uniformity in techniques applied by the Communists in their fight against the majority. In all five countries they concentrated their propaganda barrage against one non-Communist party after another. The familiar pattern of accusation of conspiracy against the state and of hostility to the Soviet Union was used.

Let us think of the trial of the Bulgarian peasant leader, Petkov; the trial of Maniu of Rumania; the arrest of the popular peasant leader, Kovács, in Hungary; the trials of opposition leaders in Poland; and, finally, in Czechoslovakia the charges of conspiracy against Vladimir Krajina, one of the outstanding underground leaders in the resistance against the Germans.

The remarkably similar methods lead of course to remarkably similar results. In all five countries we are now confronted with regimes controlled unquestionably and totally by the Communist parties. The policies of these regimes would seem to follow without deviation the interests of the Soviet Union.

As was the case previously in the other four countries, the new Czechoslovak regime has now cast aside the entire substance of parliamentary practice. All effective opposition leaders are removed, the opposition journalists deprived of their freedom to write, the traditional autonomy of the 600-year-old Charles University of Prague brutally violated by the dismissal of its duly elected head followed by a purge of a substantial number of its professors.

The uniformity and the smooth operation of the pattern raises the logical question whether or not there is any coordination from a central point for the implementation of this pattern. Is it not significant that the top Communists in Hungary such as the Deputy Prime Minister, Rakosi, and the economic czar, Vas, Foreign Minister Pauker in Rumania, Prime Minister Dimitrov and Foreign Minister Kolarov of Bulgaria, and the entire leadership of Czechoslovakia, including Premier Gottwald, Cabinet Ministers Fierlinger, Kopecky, Nejedly, and the Secretary General of the Communist Party, Slansky, have all spent years of active work in Moscow and have been in close as-

sociation with both the Soviet Communist leaders as well as the Communist leaders in other countries and that some of them have even become Soviet citizens?

To complete the similarity of the patterns in all those countries, is it a mere coincidence as I pointed out on Tuesday that the Soviet Deputy Foreign Minister Vyshinsky appeared in Bucharest at the crucial moment and another Soviet Deputy Foreign Minister, Zorin, was present in Prague at the time of the February coup?

What is the significance of the fact that after the Czechoslovak Government had indicated its readiness to participate in the Marshall Plan this decision was reversed as a result of a telephone call to Prague from Moscow where the Czechoslovak Prime Minister and Foreign Minister had been summoned? Is it not significant that the Communist Party of Czechoslovakia as well as the Communist Parties of other European countries, including all the countries of eastern Europe, joined with the Soviet Communist Party in the Cominform in October 1947? Is it also not significant that shortly thereafter the Communist Party in Czechoslovakia became more aggressive? The leading role of the Soviet Communist Party in the Cominform is a matter of common knowledge.

All of these circumstances lead to the basic question: Has the Government of Czechoslovakia been subverted with the assistance, direct or indirect, of an outside power? Has a threat of the use of force or of other pressure or interference by an outside power been directed against the political independence of Czechoslovakia? If the answer is in the affirmative then we are confronted with a situation which very definitely is outside of article 2(7) and concerns the Security Council.

We have heard many contradictory statements in the course of this discussion. The Council must ascertain the truth. It should never condemn nor approve blindly. This was a consideration in my previous proposal that the Council should invite the Representative of the new Czechoslovak Government to the table.²

This invitation has now been rejected.³ Why? The rejection is based on the thesis that article 2(7) applies. This, as I have said previously, is a matter for determination by this Council. The new Czech regime and the Soviet Union are attempting to decide that question for the Security Council, to dictate their unilateral and prejudiced opinion on this point to the Council. This is a high-handed and arbitrary way of behaving which would be surprising had it not come from these regimes. This refusal to participate does not give me a feeling of confidence that all is well. If these regimes had a clear conscience, surely they would seize eagerly the opportunity of presenting their side of the case to the Council. They would not oppose the Council's learning the facts by taking evidence. This refusal makes me feel more than

ever that it is important for the Security Council to get to the bottom of this situation.

We have also now been told that there are groups of men outside of Czechoslovakia who were leaders in the political life of this country prior to the coup. The Representative of Chile has made a suggestion for the creation by the Council of a subcommittee to hear the stories of these leaders who were in Czechoslovakia when the coup occurred and presumably should have firsthand knowledge of the events at that time and those which led up to the coup. My Government feels the Council would not be discharging fully its obligations if it did not hear these people. It feels that the creation of a sub-group to receive such testimony and to obtain other available information and to report back to the full Council on it is a convenient and feasible procedure.

We feel the subcommittee should consist of representatives of five states of the Council. In our view the terms of reference should be very simple. The subcommittee should be authorized to hear the testimony of these Czech political leaders and to report on this testimony to the Security Council.

My Government feels that it is essential that such information be obtained in order that the Council will be better able to decide what further steps should be taken on this matter. I should add that we would not consider the activity of such a sub-group to be in any way an investigation. The proposal before us has the full support of my Government.

² BULLETIN of Apr. 18, 1948, p. 517.

³ A letter dated Apr. 8, 1948, to the Secretary-General from Dr. Vladimir Houdek, Representative of Czechoslovakia to the U.N. (see U.N. doc. S/718 of Apr. 10, 1948), follows:

SIR: Referring to your letter dated April 6, 1948 and upon instructions from my Government, I have the honour to bring the following to your attention:

The discussion of internal matters before the Security Council is in contradiction to the provisions of the Charter. Such matters are exclusively within the domestic jurisdiction of any state. The Czechoslovak Government therefore rejects with indignation the unfounded complaint which has been put before the Security Council.

Czechoslovakia has been and will remain a peace-loving state and wishes to maintain friendly relations with peace-loving nations on the basis of mutual respect in accordance with the purposes and principles of the United Nations. The discussion on the changes in the composition of the Czechoslovak Government based on slanderous allegations has confirmed our conviction that it is only a pretext to stir up the hostile campaign against the Soviet Union and other states of Eastern Europe with which Czechoslovakia has strong bonds of friendship. Such action is in flagrant contradiction to one of the fundamental tasks of the United Nations which is to promote friendly relations between nations in order to strengthen international peace and security.

Since the discussion of internal matters of Czechoslovakia in the Security Council is contrary to the basic principles of the Charter, inspired by the aim of protecting the sovereignty and independence of states, the Czechoslovak Government does not find it possible to take in any way part in such discussion.

U.S. Observers Invited to World Health Assembly

TEXT OF LETTER FROM THE EXECUTIVE SECRETARY OF THE INTERIM COMMISSION OF "WHO" TO THE U.S. REPRESENTATIVE ON THE COMMISSION

8 April 1948

SIR, Article 80 of the Constitution of the World Health Organization stipulates that that Act shall enter into force immediately 26 Member States of the United Nations have become parties to it. This number has, at the present date, been exceeded.

By Article 2 of the Arrangement establishing the Interim Commission of the World Health Organization, the Commission is required to convoke the first session of the World Health Assembly as soon as practicable and not later than six months after the date on which the Constitution of the Organization comes into force.

During its fifth session the Interim Commission, in view of the imminent entry into force of the Constitution fixed 24 June 1948 as the opening date for the first session of the World Health Assembly, and decided that it should be held in Geneva.

Accordingly, letters of convocation have now been sent to the Governments of the member States of the Organization, i.e., those which, in accordance with Article 79 of the Constitution have either signed that Act without reservation, or ratified their signatures and deposited the instruments of ratification with the Secretary-General of the United Nations.

1. As the Government of your country has not yet accomplished the formalities required for membership by the above-mentioned article, it cannot at present be convoked under that provision. But, in view of the desirability of its presence at the Assembly, I have pleasure in inviting you to be good enough to appoint one or more observers to follow, in that capacity, the work of the session. I should be very grateful if you would furnish me as soon as possible with the names of the observers appointed.

May I remind you that the rôle of observer does not carry the right of taking part in the discussions or the voting. Furthermore, no provision has been made for reimbursement or expenses to this category.

2. However, it goes without saying that if your Government, as is greatly to be desired, should ratify and deposit the instrument of ratification before 24 June, it would be admitted to participation in the work of the Assembly in the capacity

of member, with all the concomitant advantages and prerogatives. In case this hypothesis should be confirmed by the event, and in order to obviate any delay, I should like you to be good enough to consider the present invitation as a convocation in due and proper form.

Thus, on the day when your Government's ratification has been received in the prescribed form, you will then proceed to the appointment of the delegation to represent your country at the Assembly, and will inform me as soon as possible in detail of its composition.

I take this opportunity to recall that each State convoked may be represented by not more than three delegates, one of whom should be appointed by the State concerned as chief delegate. The delegate or delegates should be chosen from among persons most qualified by their technical competence in the field of health, preferably representing their national health administrations. Alternates and advisers, whose numbers are not subject to limitation, may accompany delegates.

I should like to add that delegates should have full powers to carry out their functions in accordance with the Constitution of the World Health Organization. In particular, in application of Article 24 of the Constitution, they should be empowered to elect the 18 States entitled to designate a person to serve on the Executive Board. Moreover, should your country be elected, its delegation would be in a position to appoint its "delegate to the Board" without delay, since the Executive Board will meet while the Assembly is in session.

I also wish to remind you that the Executive Board should consist of persons technically qualified in the field of health, who may be accompanied by alternates and advisers.

With regard to the reimbursement of expenses to the various delegations, the Interim Commission has decided that the travelling expenses of only one delegate of each member State shall be defrayed by the Organization.

3. Documents dealing with the various tasks before the Assembly will be transmitted to you shortly.

I have [etc.]

BROCK CHISHOLM, M.D.
Executive Secretary

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

North American Broadcasting Engineers' Meeting

ARTICLE BY DONALD R. MACQUIVEY

At the First North American Broadcasting Engineers' Conference at Habana, Cuba, in 1937¹ two problems, suppression of interference and provision of adequate service, were the primary concern of those who negotiated the first North American regional broadcasting agreement (NARBA). Radio waves, of course, recognize no national boundaries. It is therefore absolutely essential, if the best use of the radio spectrum is to be realized, to agree internationally concerning the conditions under which these waves shall be transmitted.

The NARBA is an affirmation of international cooperation and an example of an international agreement that is really effective. Although problems have arisen under the NARBA, there is no doubt that the agreement works, and it works to the mutual benefit of all countries concerned. An advantage to one country in one particular instance is compensated by an advantage to another in another instance. The sum of all advantages exceeds by far the disadvantages experienced, as the objective is not to take from one and give to another but rather to determine how each can obtain the greatest service while interfering as little as possible with service in other countries.

Those in the United States Government concerned with the operation of the NARBA have many rather definite views on how it could be improved, as do similarly placed persons in other North American countries. Some of those views were first expressed at the Second North American Regional Broadcasting Conference held at Washington, D.C., in February 1946 to consider what should be done because of the impending expiration of the 1937 treaty. Persons attending that conference found that they had neither the time nor the necessary data to rewrite the treaty completely, and so they agreed to extend the old treaty by means of what is called the "interim agreement", *modus vivendi*.²

The interim agreement incorporated some of the desired modifications, but of principal interest here is the provision that the governments concerned would circulate their more complete proposals and that a group of radio engineers would meet at Habana on November 1, 1947. Eight United States Government representatives and 10 industry advisers attended under the chairmanship of George E. Sterling of the Federal Communications Com-

mission, the Meeting of Technicians on the North American Regional Broadcasting Agreement. Technical aspects of the proposals from the various countries were discussed and a number of agreements reached.

Unfortunately many of the international interference and service-expansion problems are not purely matters of finding the best technical engineering solution. After all, radio broadcasting is a means to an end, not the end in itself. If, for example, each among a number of political parties, as in Cuba, wants to sponsor its own station, the problem of finding radio-spectrum space is much more acute than would be the case if there were fewer stations, each prepared to serve all.

Another question with mixed policy and engineering aspects is the question of use of clear channels—those spots in the broadcast frequency band assigned almost exclusively to each of a few high-power stations. Many considerations not strictly of an engineering character must be taken into account in determining how best to provide broadcasting service to persons in sparsely populated areas. From a purely engineering standpoint, without much consideration being given to the economics of the problem, it would be possible to render such service either by means of a few clear-channel stations or by means of a larger number of stations on the same frequency, each serving its own smaller region. An essentially nonengineering question related to this problem is whether or not clear-channel stations should be located in or near large cities and carry programs and advertising of purely local interest. There are many details of these clear-channel problems and the complexity and need to hear all controversial views have been two of the principal reasons why the Federal Communications Commission has conducted extensive hearings on the subject. A decision in the matter is essential before any substantial amount of preparation for the next North American regional broadcasting conference can be completed. Until this and related decisions are reached, it will be impossible to determine the potential interference to or from foreign stations on the same or adjacent channels to stations in this service.

¹ Treaty Series 962.

² Treaties and Other International Acts Series 1533.

ACTIVITIES AND DEVELOPMENTS

Suffice it to say that these matters could not be discussed at Habana without prejudice to future Federal Communications Commission decisions. The delegation was limited not only to discussion of the technical aspects of the proposals presented but also, within that limitation, it could discuss only those technical questions which had little or no bearing on the major questions yet to be decided at home. This situation resulted in much discussion and delay because the Mexican Delegation was authorized to discuss much broader policy matters than were the delegates from any other nations represented.

In spite of these difficulties, however, the meeting proved valuable to all who attended. Certain technical definitions were clarified so that, when the terms are referred to in the future, all parties concerned will know exactly what is involved. Agreement on definitions is more important than may appear on the surface. For example, a provision in the agreement on the measures to be taken to suppress interference from spurious radiations would be relatively ineffective if one nation considered such radiations to be only undesirable harmonics of the desired signal while another nation considered them to be only parasitic emissions not related to the desired signal in any particular way. It costs money to suppress either type. Such expenditures bring in no revenue to the station making them. Unless they are made, however, service from other stations will be degraded, if not completely destroyed. It is necessary that all agree, therefore, on the conditions under which action will be taken.

The most important benefit from the meeting at Habana was the mutual exchange of views concerning the requirements of each nation. The Mexican Delegation discussed a proposal of that country that the broadcast band be reallocated so that stations providing local service would be assigned frequencies at the high-frequency end of the band, regional stations would be assigned adjacent but lower frequencies, and clear-channel stations would be assigned frequencies at the low end of the band. From the single standpoint of effectiveness of propagation of radio waves for the purposes indicated, the proposal might well have been considered had its merits been known some two decades ago. To adopt such a plan now, however, would cost the United States broadcasting industry literally millions of dollars as hundreds of stations would have to be shifted in frequency and, as a result, almost entirely rebuilt.

The size of many of the components used in a broadcast transmitting system depends upon the frequency at which they operate. New antennas would have to be designed and constructed, transmitters rebuilt, and power would have to be increased in hundreds of installations in order to maintain consistent coverage. Worst of all would be the necessity of reworking completely the scores

of intricate jigsaw puzzles which comprise the interlaced service patterns of more than 1,900 existing stations in order to determine what frequency and service area each should have. This would have to be done before a single wire were cut. The litigation which would result staggers the imagination.

As a result of the Habana discussions it was learned that Mexico is concerned primarily in obtaining the use of two additional clear channels and desires to exchange two high-frequency clear channels now assigned to Mexico for two low-frequency channels. The four clear channels are presently used by all countries as regional channels. Although this is different from the original proposal of Mexico, there is still considerable question as to how to meet the Mexican requirements for additional service.

The discussions at Habana appear, in fact, to indicate that the Mexican Government is considering quite a basic change in point of view concerning international relations on the subject of interference suppression and protection accorded broadcasting stations. Some of its proposals would, in effect, allow each nation to do substantially as it wishes in the regulation of broadcasting so long as certain border conditions are maintained. There was, however, no detailed discussion of exactly what the border conditions would be and what measures would be taken by each country in order to assure their maintenance. It seems probable that, if a new agreement were written only in terms of border requirements, it would still be necessary to agree to adoption of certain standards in order to assure the maintenance of these border conditions.

In this connection the United States Delegation suggested at Habana that serious consideration be given by all NARBA participants to the adoption of new and relatively complete engineering standards and that these be kept up to date in accordance with improvements in the art of radio broadcasting.

One method of assuring that interference would be unlikely to occur across international boundaries has been to require that no stations be assigned to the same frequencies as clear-channel stations if the former are to be located within 650 miles of the border of the country having priority on the clear channel. The Mexican and Cuban Delegations reiterated a position previously expressed that this "650-mile rule" should be abandoned.

Another Mexican proposal which gave considerable concern was their desire that additional protection be afforded within the United States to certain Mexican clear-channel stations, the intention being that relatively large settlements of Mexican nationals in the southwestern United States would be served by these stations. The use of such stations for this purpose has been regulated in the past by the "gentleman's agreement" on radio

broadcasting signed in August 1940.³ This agreement relates to six Mexican clear channels and four United States clear channels and provides for the assignment of stations in both countries in such a manner that the nighttime programs of one country can be heard in the other country without interference. It is probable that this "gentleman's agreement" will come up for discussion in connection with preparation for the next NARBA conference.

At the Habana meeting it was also learned that the Cuban broadcasters desire agreement for them to operate stations of the so-called "I-B" class on 12 channels which would have to be substantially clear. It will be extremely difficult to find a mutually satisfactory solution to that problem. A corollary proposal was that no clear-channel station in any country should radiate more than 50 kilowatts of power toward other nations which may desire to use the channel, regardless of how far that station may be from the country concerned.

The United States Delegation found the discussions at Habana valuable because of the opportunity they gave to explain and obtain substantial acceptance of a proposed new method for determining the degree of interference to broadcasting stations known as the "50-percent root-sum-square exclusion rule". It would be possible under this rule to add new stations to a channel or modify the service of existing stations, provided the additional interference to other stations on the channel did not amount to more than a value calculated according to the rule. A rule of this nature is of absolute necessity if the service of broadcasting is to be allowed to expand, because the existing agreement would practically have prohibited the operation of any new broadcasting stations in North America since 1941 if a certain section of it had been strictly observed. Such expansion as was possible has been only by grace of special acquiescence on the part of other countries having stations on the same channels. As a result, much litigation has arisen at times.

It was also possible for the United States Delegation to present for consideration by the engineers from the other countries some new curves of the same type currently used to calculate the radiated field intensity for so-called "sky waves" under certain conditions. Sky waves are responsible for all service (or interference) at a great distance from the transmitting station. These curves take into account recent radio-propagation experience and would be used to determine the radiation field strength of a radio station at distances far enough away from the station so that the only signal which needs to be considered is the sky wave—that wave which has traveled from the transmitting antenna to the ionosphere high above the earth and has been reflected back to the receiving antenna.

An informal discussion was held concerning the applicability of frequency-modulation broadcasting to the solution of some of the broadcasting problems in the North American region, particularly those in the lower latitudes and densely populated areas. Although this discussion was not a part of the discussions concerning the North American regional broadcasting agreement and although the question of whether or not any provisions relating to frequency modulation should be included in that agreement is still unsettled, it was decided to exchange information on trials of frequency-modulation broadcasting and monitoring results obtained. There was considerable agreement that the noise-suppression characteristics and the propagation limitation to be expected from frequency-modulation broadcasting would help materially to provide high-quality broadcasting service to the nations located in areas of high-noise level and with relatively large population centers.

Because the meeting was a technical conference and dealt, in general, with quantities quite susceptible to measurement, there was somewhat less room for disagreement than would be the case at a nontechnical conference. Many of the engineers were acquainted with each other from previous meetings. All in all, both the United States broadcasting-industry representatives who assisted the Government Delegation immeasurably and those responsible Government officials who made up the Delegation considered the meeting highly valuable and essential as a preparation for the forthcoming conference for the purpose of rewriting the NARBA.

U.S. DELEGATION TO INTERNATIONAL AERONAUTICAL RADIO CONFERENCE

[Released to the press April 14]

The Acting Secretary of State approved on April 12 the composition of the United States Delegation to the Preparatory Conference for the International Administrative Aeronautical Radio Conference which is scheduled to be held at Geneva, April 24–May 15, 1948. The United States Delegation is as follows:

Chairman

Arthur L. Lebel, Assistant Chief, Telecommunications Division, Department of State

Vice Chairman

Edwin L. White, Chief, Aviation Division, Federal Communications Commission

Advisers

James D. Flashman, Lieutenant Colonel, Department of the Air Force

Edmund V. Shores, Chief, Mobile Aeronautics Communications Center, Civil Aeronautics Administration, Department of Commerce

³ Executive Agreement Series 196.

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The Preparatory Conference will (1) prepare a draft agenda for the International Administrative Aeronautical Radio Conference which is scheduled to open at Geneva on May 15, 1948, immediately following the Preparatory Conference; (2) consider technical principles on which a frequency-assignment plan is to be based; (3) prepare the framework for such a plan; and (4) arrange for the compilation of world frequency requirements for aeronautical mobile services. It is expected that Argentina, Australia, Belgium, Canada, China, France, the Union of Soviet Socialist Republics, the United Kingdom, and the United States will be represented at this meeting.

The International Administrative Aeronautical Radio Conference, suggested by the Belgian Delegation at the Atlantic City telecommunication conferences, has been called by the Administrative Council of the International Telecommunication Union. This meeting will develop a world-wide plan for specific assignment of the individual frequencies included in the bands allocated to the aeronautical mobile services at Atlantic City.

U.S. DELEGATION TO INTERNATIONAL CONFERENCE ON SAFETY OF LIFE AT SEA

[Released to the press April 12]

The Department of State announces that the President has designated Admiral Joseph F. Farley, Commandant of the U. S. Coast Guard, to serve as Chairman of the United States Delegation to the International Conference on Safety of Life at Sea which is scheduled to convene at London, April 23, 1948. Jesse E. Saugstad, Chief, Shipping Division, Department of State, has been designated Vice Chairman. Other members of the United States Delegation are:

Advisers

David Arnott, American Bureau of Shipping, New York City
James L. Bates, Chief, Technical Bureau, Maritime Commission
Martin D. Berg, Lt. Comdr., U. S. Coast Guard
Charles L. Brand, Rear Admiral, Assistant Chief, Bureau of Ships, Department of the Navy
David P. Brown, American Bureau of Shipping, New York City
Raymond F. Farwell, Capt., U.S.N.R., U. S. Coast Guard
Arthur R. Gatewood, Shipbuilders Council of America, New York City
Robert O. Glover, Rear Admiral, Hydrographer of the Navy, Department of the Navy
Hoyt S. Haddock, Executive Secretary, Cio Maritime Committee, Washington
Norman R. Hagen, U. S. Weather Bureau, American Embassy, London
Henry T. Jewell, Captain, Chief, Merchant Vessel Personnel Division, Office of Merchant Marine Safety, U. S. Coast Guard
William N. Krebs, Assistant Chief Engineer, Federal Communications Commission
J. Lewis Luckenbach, President, American Bureau of Shipping, New York City
John W. Mann, Shipping Division, Department of State

William F. Minners, Marine Radio and Safety Division, Federal Communications Commission
Charles P. Murphy, Commander, Assistant Chief, Merchant Marine Technical Division, Office of Merchant Marine Safety, U. S. Coast Guard
Charles J. Palmer, Commander, Department of the Navy
Edward C. Phillips, National Federation of American Shipping, Washington
James B. Robertson, Jr., Office of Merchant Marine Safety, U. S. Coast Guard
Harold F. Robinson, Shipbuilders Council of America, New York City
Vito L. Russo, Assistant Chief, Preliminary Design Branch, Technical Bureau, U. S. Maritime Commission
George G. Sharp, Ship Architect, Society of Naval Architects and Marine Engineers, New York City
Halert C. Shepherd, Rear Admiral, Chief, Office of Merchant Marine Safety, U.S. Coast Guard
H. Gerrish Smith, President, Shipbuilders Council of America, New York City
Howard C. Towle, National Federation of American Shipping, Washington
Francis H. Van Riper, Special Assistant, U.S. Maritime Commission
Victor A. Wallace, Shipping Division and Office of Legal Adviser, Department of State
Edward M. Webster, Commissioner, Federal Communications Commission
Morris Weisberger, Vice President, Seafarers' International Union of North America, American Federation of Labor, New York City

Assistant to Chairman

Robert T. Merrill, Capt., U.S. Coast Guard Reserve

Secretary of the Delegation

Henry F. Nichol, Division of International Conferences, Department of State

Technical Secretary

Lawrence D. Bradley, Jr., Lt., U.S. Coast Guard

The Conference, which will be attended by most of the maritime nations of the world, has been called by the United Kingdom for the purpose of revising the international convention for the safety of life at sea, signed at London, May 31, 1929. This convention established certain international standards of ship subdivision, fire protection, life-saving appliances, and navigational procedures which would make shipping more safe. In general, these standards applied only to passenger vessels. At the time they were adopted they represented a notable forward step in international collaboration toward greater safety of life at sea. However, in the last 19 years technical and scientific advances have been so widespread that the 1929 convention is open to improvement in several directions.

The United States prepared for the 1948 conference by setting up, early in 1945, 14 technical committees whose membership included representatives of government and of industry, each committee specializing in a particular aspect of maritime safety. The consolidated reports of these committees were circulated to all interested agencies and individuals and with some slight modifications were adopted as the United States proposals.

In addition to improvements in the existing convention which will make for greater safety, many provisions previously applicable only to passenger vessels are being extended to cargo ships as well. The United States proposals contemplate that the safety measures will be in such form as to fit within the framework of the International Maritime Consultative Organization which has been recommended by a conference sponsored by the United Nations held at Geneva in February 1948.

U.S. DELEGATION TO SIXTH DECENNIAL REVISION OF INTERNATIONAL LISTS OF DISEASES AND CAUSES OF DEATH

[Released to the press April 16]

The Department of State has announced the composition of the United States Delegation to the Conference for the Sixth Decennial Revision of the International Lists of Diseases and Causes of Death. This meeting is scheduled to be held at Paris, April 26-30, 1948. The United States Delegation is as follows:

Chairman

Halbert L. Dunn, M.D., chief, National Office of Vital Statistics, U.S. Public Health Service, Federal Security Agency

Delegates

George Baehr, M.D., president, New York Academy of Medicine, Mount Sinai Hospital, New York City
Joseph Berkson, M.D., chief, Division of Biometry and Medical Statistics, Mayo Clinic, Rochester, Minn.
Edwin F. Daffy, M.D., director, Division of Health Services, U.S. Children's Bureau, Social Security Administration, Federal Security Agency
Paul M. Densen, M.D., chief, Division of Medical Research and Statistics, Veterans Administration
Harold F. Dorn, M.D., chairman, Statistical Section, National Cancer Institute, U.S. Public Health Service, Federal Security Agency
W. Thurber Fales, M.D., director, Statistical Section, Baltimore City Health Department, Baltimore, Md.
Eugene L. Hamilton, chief, Medical Statistics Division, Office of the Surgeon General, Department of the Army
Iwao M. Moriyama, M.D., chief, Mortality Analysis Section, National Office of Vital Statistics, Federal Security Agency
Edward S. Rogers, M.D., dean, School of Public Health, University of California, Berkeley, Calif.
Robert L. Ware, Captain (M.D.), U.S. Navy, chief, Medical Statistics Division, Bureau of Medicine and Surgery, Department of the Navy

The Conference will consider a revision of the International List of the Causes of Death and the establishment of International Lists of Causes of Morbidity.

An international list of causes of death was first established at an international conference convened by the French Government in 1900. This list has been revised by similar conferences held

at approximately 10-year intervals. The 1929 conference decided that a useful purpose would be served if classification were made the subject of a definite convention between governments. A protocol was annexed to the report of the 1929 conference, and the agreement relating to statistics of causes of death was signed on July 19, 1934.

The delegates to the Meeting of the International Commission for the Fifth Decennial Revision of the International Nomenclature of Diseases met at Paris in October 1938 and adopted resolutions requesting the Government of the United States to form a subcommittee to study the problem of obtaining international consistency in the methods of selecting the primary causes of death. In accordance with these resolutions an American subcommittee, appointed by the Secretary of State, prepared a draft report which was adopted with few changes by an Expert Committee of the Interim Commission of the World Health Organization. With other documents, this amended text will serve as the basis for the work of the forthcoming Conference.

PROGRAM OF FOURTH INTERNATIONAL CONGRESSES ON TROPICAL MEDICINE AND MALARIA

The Department of State released on April 17 the program of the Fourth International Congresses on Tropical Medicine and Malaria, which will be held in Washington May 10-18.¹ The meetings are being sponsored by the United States Government and scientific societies to encourage and facilitate the pooling of useful knowledge for the prevention and treatment of tropical diseases.

Organization of the Congresses is headed by Dr. Leonard A. Scheele, Surgeon General of the United States Public Health Service, who is acting as chairman. Vice chairmen are Dr. George K. Strode, Director of the International Health Division of the Rockefeller Foundation, and Clarke L. Willard, Associate Chief, Division of International Conferences, Department of State. Dr. Rolla E. Dyer, Director of the National Institute of Health, is program director. The entertainment committee and the exhibits committee are being handled respectively by Dr. Fred L. Soper, Director of the Pan American Sanitary Bureau, and Dr. E. M. Gunn, United States Army Institute of Pathology. Dr. Wilbur A. Sawyer, former Director of the International Health Division of the Rockefeller Foundation and Director of Health for UNRRA, is acting for the Department of State in preparing and directing the program.

¹ BULLETIN of Apr. 11, 1948, p. 475.

THE RECORD OF THE WEEK

Pan American Day, a Symbol of Friendship Among Nations

BY GEORGE V. ALLEN¹

Assistant Secretary for Public Affairs

Because they are very much in all our minds, I must refer at the outset to the tragic events that have momentarily interrupted the deliberations of the Bogotá conference in the last few days. I shall not undertake to comment extensively on these events. However, there are two things that I must say to you, knowing that they express the sentiments of the American people and of all of you here tonight. The first is that we sympathize from the bottom of our hearts with the people of Colombia in their hour of sudden tragedy and are confident that nothing can prevent Colombia from continuing its forward march as one of the most progressive and respected of the American republics. The other is that only persons who have momentarily lost their perspective will allow themselves to believe that the occurrences in Bogotá can represent any kind of setback to pan-Americanism or in any way alter its progress. The Ninth International Conference of American States will, like its predecessors over more than half a century, serve to knit still more closely the sturdy fabric of inter-American relations.

Pan American Day, which has dawned for us here a few hours ahead of the calendar, is an occasion on which we celebrate friendship among nations—not friendship as an ideal only, but friendship as an accomplished fact among 21 sovereign states. That friendship is epitomized in this gathering. It is epitomized in the person of my good friend at this table, the Ambassador of Honduras, who, in the course of many years as the well-beloved representative of his country in Washington, has become a personal symbol of the friendliness and good will that animates the relations of the good-neighbor republics. The friendship among our countries is, in fact, reflected in the personal respect and liking that we all feel for the distinguished representatives from our neighbor countries who have foregathered with us this evening.

The answer to any question that might be raised as to whether we, in this country, appreciate the blessing of our inter-American friendship is sug-

gested by the spontaneous manner in which citizens of Washington have organized this occasion as a demonstration of their active support. This is of the utmost significance, since it is the private citizens who are, ultimately, the makers of our foreign policy. If the citizens are apathetic, if they lack vision and insight into what is required to make and maintain peace, if they fail in their appreciation of what has been accomplished, then there is little hope for us. If, however, they demonstrate the positive vision and appreciation that have been manifested by the people of Washington in the organization of this celebration, we cannot fail to master the future. This sort of demonstration is immensely encouraging to the officials of a government that must represent the people. Mr. Morris and his associates are, I think, to be warmly congratulated.

When, more than half a century ago, the call was issued for the First International Conference of American States, a beneficent chain-reaction was set off among the republics of this Hemisphere that has led directly to the Ninth International Conference of American States. The international atmosphere in which that Conference is held—and which has nothing to do with the local disturbances that have, for the moment, interrupted it—provides a marked contrast to the atmosphere of international hostility that has surrounded some other conferences in the past two years. The contrast should help us not to minimize or take for granted the constructive peace that has already been achieved among our American nations.

In the inter-American conferences we meet together to argue, but not to quarrel. We meet to argue about the best means for achieving our common goal, which is the common welfare of the American peoples. By argument we either persuade or are persuaded. And when the conference adjourns, in every case that I can recall, we have reached agreement and are better friends than ever before. We acknowledge each other's good faith and enlightened purpose, and we have all learned that the price of any good agreement is mutual compromise.

Because the work of every inter-American conference is the achievement of mutual compromise,

¹ Address made at a Pan American dinner tendered by the citizens of Washington, D.C., on Apr. 13, 1948; released to the press on the same date.

in which all participate, there is no victory on the part of some and defeat on the part of others. The reaching of agreement is, rather, a victory for all, since that was the common purpose. A struggle for power, such as we are familiar with elsewhere today, is a different matter. Within the family of American states, the struggle is simply for justice and the common good.

Conferences make news. There are other aspects of our good-neighbor relations, however, that are certainly no less important for being, perhaps, less dramatic. The good-neighbor policy of all the American republics has grown far beyond the stage of talk and is being carried forward today through a wide range of active enterprises that represent the constructive work of cooperation. I call attention to the hundreds of United States scientists, technicians, and experts of one sort or another who have been sent out by this Government to work shoulder to shoulder with the scientists, technicians, and experts of other governments and the hundreds of scientists, technicians, and experts who have been sent by their governments to the United States to work with us in the solution of problems that bear on the common welfare of our peoples and the advancement of our civilization.

I am privileged to be Chairman of the Interdepartmental Committee on Scientific and Cultural Cooperation, through which this Government is able to meet the requests of other American governments by assigning meteorologists, soil technicians, fisheries experts, and trained personnel in a vast number of other fields to work with them. In cultural fields, a large program for the interchange of students, teachers, and publications has been carried forward, and this country has benefited substantially from the contributions that the other American republics have made to our culture by this means. Through the recently re-incorporated Institute of Inter-American Affairs, this Government is participating actively with the other governments in carefully planned, long-range action programs for national development in health and sanitation, agriculture, and education. Persons who see these Institute programs in the field for the first time are amazed at the extent and character of their accomplishments.

These shirt-sleeve activities do not make news; they lack the glamour of resolutions and international pronouncements; but they are directly improving the lives of millions of people in the Hemisphere and visibly advancing our common civilization. The fact that they do not make news is, perhaps, a healthy sign in that it shows the extent to which we have been able to take for granted cooperative relations that hardly existed ten years ago and that have already become an established part of our international community life. These programs of cooperation provide one solid and tangible answer to the critics who pre-

tend that the good-neighbor policy is no more. The contrast between the range of our cooperation today and the extent of our cooperation ten years ago, when the good-neighbor policy was growing up, sufficiently refutes that silly pretense.

Another substantial refutation is provided by the common preoccupation of the Bogotá conferees today—and the conference is *not* over—with the strengthening of an inter-American system that has been steadily growing in strength for the past 15 years. The process of building our good-neighbor system continues year by year. It is a stronger, more closely knit system today than it was at the end of the war in 1945. It will, I am confident, be still stronger when the present conference in Bogotá concludes its interrupted deliberations.

The one concept I should like to stress above all others tonight is that cooperation among the American republics is founded, and must always be founded, on the concept of mutuality. All of the republics must help each other and must learn from each other. The United States can make and is making a positive contribution to the economic and social development of the republics to the south through means which have already been discussed—through lending the technical knowledge of our public-health officials, agricultural experts, and scientists to other American republics which feel that we can be of help and which ask us for them.

But this is not all. We are receiving and must continue to receive in return the great social and cultural contributions which other of our sister republics have to offer the United States. Effective cooperation represents the will to give and to receive by all parties.

I attended an impressive reception given by Mrs. Truman a few days ago to the foreign students in and around Washington. The number of students and government trainees from other American republics in this one city was a wonderful revelation to me. And I may add that the charm and good looks of the young ladies in the group lent an added pleasure to the occasion.

I asked each of them to whom I talked about their work—what they were studying, and where, and how. All the while the thought kept recurring to my mind that they were contributing, perhaps unwittingly but very positively, to the cultural progress of the United States. While they were obtaining their education here, we were gaining from them. Their cultural backgrounds and points of view are enriching our own. The literature, the art, and the music of the other American republics are becoming ever better known in the United States through the cooperative exchange that characterizes our relations with them. Our own culture is being substantially strengthened by their constructive influence and their contributions. We are anxious to benefit as

much as we can from the long and distinguished cultural heritage of our sister republics.

I sometimes think that the great Pan American Highway, which we hope will some day add so much to the communications network that ties us together, might very appropriately be called "the two-way passage highway".

To one who, like myself, has for some years past been preoccupied with international relations in other parts of this turbulent globe, it is impossible not to view the relations that have developed and are continuing to develop in this Hemisphere with a sense of vast encouragement and gratification. We American republics have

our differences, but we manage to settle those differences peacefully and amicably. Our friendship grows stronger in the process of their settlement. Now, when we talk about peace on earth we don't mean an earth on which there are no differences of opinion. We mean, simply, an earth on which differences of opinion are settled by peaceful means. In that light, the long-term achievement of the American republics is outstanding in history and in the context of present relations among nations generally. It is an achievement that, without due complacency, we can celebrate this evening with very good consciences indeed.

Export-Import Bank To Finance Economic Development in Other American Republics

MESSAGE OF THE PRESIDENT TO THE CONGRESS

To the Congress of the United States:

In recent months the United States has been considering a number of measures to further the achievement of the primary objective of our foreign policy—the establishment throughout the world of the conditions of a just and lasting peace.

One of the essential requirements for the attainment of that objective is continuing cooperation among the American republics and collaboration in the development of their resources and industries.

Genuine friendship has long existed between the people of the United States and our neighbors to the south. This friendship has been marked by cultural and economic association and close cooperation. The people of the United States have strongly supported the policy of the Good Neighbor and have a special regard for the peoples of the countries to the south of us.

The United States has long recognized the importance of economic and political stability in the Western Hemisphere. Such stability rests substantially upon the continuation of a satisfactory rate of economic progress. In this respect, we must fairly recognize that the economies of the other American republics are relatively undeveloped. In these countries, natural resources are abundant, but the expansion of production has been restricted due to the lack of capital and of modern production methods. Production can be increased only by means of a considerable volume of capital investment in transportation and power facilities, processing plants and other installations.

To some extent the need for capital in these countries is met by domestic savings, but such savings in general are insufficient to secure the necessary equipment and technical skills. Substantial and continued progress in the development of the re-

sources and industries of the other American republics therefore requires foreign financing. The United States, by reason of its close relations with these countries and its strong economic position, is the principal source to which the other American republics look for equipment, materials, and technology as well as for their financing.

I recommend, therefore, that the Congress increase the lending authority of the Export-Import Bank by 500 million dollars. The proposed increase in the lending authority of the Bank would not involve any change in the statutory requirements under which the Bank has been operating.

This increased lending authority would place the Bank in a position to assist in meeting essential requirements for the financing of economic development in the other American republics. It would permit the Bank to make loans for well-planned development projects which are economically justified and to cooperate most effectively with private funds.

Such an increase would not, of course, be a substitute for necessary action that the other American republics can and should take to attract private investment capital and to mobilize fully their own investment resources.

The proposed increase represents, I believe, an important step which this Government should take to assist the economic development of the countries to the south of us.

It is of great importance to the United States, as a member of the American community, that there be continued expansion of production, increasing trade activity, and rising standards of living in the other American republics. It is in our mutual interest to help develop in the countries to the south those essential materials which are becoming less abundant in the United States, as

well as others regularly imported from distant regions.

Above all, it is in our mutual interest to assist the American republics to continue their economic progress, which can contribute so much to the cooperative strength of the independent American republics.

I request the Congress, therefore, to give favorable consideration to the proposed increase in the lending authority of the Export-Import Bank.

HARRY S. TRUMAN

THE WHITE HOUSE,
April 8, 1948.

Commitment for Reconstruction in Colombia Approved

The Board of Directors of the Export-Import Bank of Washington announced on April 15 the approval, at a special meeting, of a commitment of 10 million dollars to the Republic of Colombia to assist that Government in financing the acquisition of United States supplies, materials, and equipment needed for the speedy reconstruction of properties destroyed or damaged in the recent disturbances in Colombia. Details as to requirements and arrangements will be worked out on a mutual basis.

U.S.S.R. Rejects Procedure for Drafting of Protocol to Italian Treaty

MEMORANDUM FROM THE U.S.S.R.

No. 79

[Translation]

With reference to the memorandum of the Department of State of March 20 and in reply to the note of the Department of State of April 9 the Soviet Embassy has the honor to communicate the following.

In connection with the urgency of the question mentioned in the note of April 9 the Embassy deems it necessary to point out that in the memorandum of the Department of State of March 20, to which reference is made in said note, no indication is contained of the urgency of this question.

Simultaneously, the Soviet Government draws the attention of the Department of State to the fact that the treaty of peace with Italy, as with other states that participated in the war, was pre-

pared by the Council of Foreign Ministers and examined in detail at the Paris Conference, with the participation of 21 states, which subsequently signed and ratified it, and that it entered into force only several months ago.

Hence it stands to reason that the proposal to decide the question of the revision of the treaty of peace with Italy in respect to one or another of its parts by means of correspondence or the organization of private conferences is considered unacceptable by the Soviet Government as violating the elementary principles of democracy.

EMBASSY OF THE UNION OF
SOVIET SOCIALIST REPUBLICS
Washington, April 13, 1948

U.S. REPLY TO THE U.S.S.R.

[Released to the press April 15]

The Acting Secretary of State presents his compliments to His Excellency the Ambassador of the Union of Soviet Socialist Republics and has the honor to refer to the Soviet Embassy's memorandum No. 79 of April 13, 1948, concerning the return of the Free Territory of Trieste to Italian sovereignty.

While regretting that the Soviet Government has not found it possible to act favorably in this matter, the Government of the United States is at a loss to understand why the procedure suggested for the negotiation of a draft protocol to the Italian Treaty is considered unacceptable. It was the intention of the Government of the United States that the preliminary meeting of the powers principally concerned to negotiate a draft protocol should be followed by consultation with all other interested governments. In the view of the Gov-

ernment of the United States the suggested preliminary meeting is in fact the first step of the procedure followed in the drafting of the Treaty of Peace with Italy. As pointed out in the Soviet Embassy's memorandum the Treaty of Peace was prepared by the Council of Foreign Ministers and subsequently submitted for the consideration of the twenty-one states at the Paris Conference.

Should the Soviet Government find it possible to agree in principle to the return of the Free Territory of Trieste to Italian sovereignty the Government of the United States will be glad to consider any suggestions which the Soviet Government may have regarding the procedure for the drafting of the necessary protocol to the Italian Treaty.

DEPARTMENT OF STATE,
Washington, April 16, 1948.

April 25, 1948

Treaty of Friendship, Commerce, and Navigation With Italy Transmitted to the Senate

PRESIDENT'S LETTER OF TRANSMITTAL

[Released to the press April 14]

The President on April 14 transmitted to the Senate, for the purpose of obtaining that body's consent to ratification, the treaty of friendship, commerce, and navigation between the United States and Italy, signed at Rome February 2, 1948. The President recommended early Senate action on the treaty, as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith a treaty of friendship, commerce and navigation between the United States of America and the Italian Republic, together with a protocol and an additional protocol relating thereto, signed at Rome on February 2, 1948.

The enclosed treaty, together with the two related protocols, was negotiated on a basis of com-

plete equality between the two Governments. It is comprehensive and is designed to provide an effective basis for the future development of cultural, business, and trade relationships between the two countries. I consider that this treaty is an important manifestation of the friendly relations which exist between this country and post-Fascist Italy and that it confirms the determination of the two Governments to apply in their economic and cultural intercourse the liberal principles that are fundamental to the democratic way of life. I commend it to the early consideration of the Senate.

I transmit also, for the information of the Senate, a copy of each of two notes, signed and exchanged on the same date, and a report on the treaty made to me by the Acting Secretary of State.¹

HARRY S. TRUMAN

SUMMARY OF PROVISIONS

[Released to the press April 14]

The new treaty is designed to provide an effective legal framework for economic intercourse between the United States and Italy, such a framework having been lacking since December 1937 when a former commercial treaty, concluded in 1871, was terminated by mutual consent. It is regarded by the Department of State as a significant step in strengthening the cordial relations between the United States and Italy. It is the first instrument of the type that has been signed by Italy since the war.

The present treaty is similar to treaties now in force between the United States and a number of countries. In agreeing to it, Italy accepts the liberal principles of business and commercial intercourse which the United States is seeking to advance through the proposed charter for an International Trade Organization, as well as through the conclusion with other countries of bilateral treaties of friendship, commerce, and navigation embodying like principles. It is believed that the present instrument creates a framework within which business, trade, and cultural relations may, through liberal principles, develop effectively and to the mutual advantage of the two countries.

In keeping with earlier treaties and agreements, the new treaty contains provisions relating to entry and residence, the protection of persons and property, the tenure and disposition of real and personal property, religious activities, importation and exportation of goods, customs administration, transit rights, and the treatment of shipping. Certain new provisions have been added, however, and certain provisions which appear in earlier treaties have been broadened in order to deal more effectively with needs arising from recent developments in international economic relations. New or revised provisions deal, among other things, with the status of corporations, certain cultural activities, benefits under workmen's compensation and insurance laws, and the protection of private enterprises in competition with state-controlled enterprises.

Of significance is the inclusion in this treaty of provisions relating to freedom of information which are new to treaties of friendship, commerce, and navigation. In article 2, the two Governments affirm their adherence to the principles of freedom of the press and of free interchange of information and provide for the practical application of these principles by granting to the nationals and corporations of each other the right freely to gather information and to transmit material for publication abroad.

¹ Not here printed.

Two protocols accompany the treaty. One is intended to clarify and construe certain provisions of the treaty. The other, designed to help Italy deal with postwar economic and financial difficulties, permits the imposition for certain purposes of quantitative restrictions on imports and exports and allows the use of internal controls in the distribution of goods in short supply. Notes exchanged at the time of signing the treaty constitute a declaration that the two countries will seek at an appropriate time in the future to enter into arrangements to promote closer cultural relations, particularly through the exchange of students, teachers, and professional people.

The treaty was negotiated over a period of several months at Rome by members of the staff of the American Embassy and an Italian commission headed by Ivan Matteo Lombardo.

Italian Claim for Restitution of Gold Allowed

[Released to the press April 12]

The Tripartite Gold Commission in Brussels, which decides about recognition of claims to monetary gold that was taken from a number of European countries by the Nazis, has decided to allow almost in full the Italian claim for the restitution of gold taken from Italy by the Nazis. Only a part of Italy's claim was recognized at the time the Gold Commission made its first distribution of looted gold recovered in Germany. The recent decision of the Gold Commission means that Italy will soon receive about 31 million dollars' worth of gold in addition to 4 million dollars allocated to her on the occasion of the first distribution, October 17, 1947. Italy is participating on the same basis as the ten other claimant countries, on a *pro rata* basis to the extent that recovered looted gold becomes available for distribution.

Sources of Scrap Metal for Italy

[Released to the press April 7]

Reports have appeared in the Italian press that scrap iron and steel is at present being exported to the United States despite the fact that Italy is badly in need of scrap. Under the European Recovery Program, Italy indicated that she would have to import 700,000 tons of scrap in 1948.

The scrap which is at present being shipped from Italy to the United States is material which was originally sold by the United States Army in Germany to an American firm, the Canterbury Corporation of Delaware, with a specific proviso that it be returned to the United States where scrap is also in exceedingly short supply. The contract was made in May 1947 and covered 147,000 tons of United States Army scrap derived from such material as landing mats, vehicles, et cetera. Of the 147,000 tons, approximately 27,000 were

shipped to Italy for preparation and transshipment. It was never intended that this material would remain in Italy, and in shipping it there in the first place it was hoped to give employment to Italian facilities and workers. No Italian scrap is being shipped to the United States.

The United States recognizes the urgent need of the Italians for scrap and the fact that the output of steel in Italy as well as production in the metal-fabricating industries are to a considerable extent dependent on adequate supplies of scrap for Italian steel furnaces. In recognition of this situation, some 80,000 tons of captured German ammunition and American ammunition are being made available to Italy from the United States zone of Germany for use as scrap. In addition, about 80,000 tons of ship scrap has recently been made available to Italy by the United States Maritime Commission.

An additional important source of scrap metal has been made available to Italy by the United States through this Government's renunciation of its allocation of excess Italian Naval vessels. This action by the United States has contributed to the Italian economy more than 40,000 tons of unusually valuable scrap material at no cost whatsoever to the Italian Government.

American Scientists To Survey Southern Italy and Sicily

The United States Government has sent two prominent officials of the Departments of Agriculture and the Interior on a survey trip to southern Italy and Sicily on the invitation of the Italian Government.¹

Dr. Max A. McCall, Assistant Chief of the Bureau of Plant Industry, Soils, and Agricultural Engineering of the Department of Agriculture, and Mr. George E. Tomlinson, Assistant Director of Project Planning of the Bureau of Reclamation, Department of the Interior, arrived in Rome April 13 for the purpose of conducting jointly with Italian scientists in the same fields an inquiry into possibilities of developing industry and expanding agricultural production in southern Italy through hydroelectric, irrigation, and land-reclamation projects.

After preliminary discussions in Rome on the 13th, the American experts together with their Italian colleagues proceeded to Naples to meet with technicians of south Italy and inspect projects in the vicinity of Naples. After a brief return to Rome, the group will make a detailed tour of Sicily and southern Italy. The inquiries being made by Dr. McCall and Mr. Tomlinson and the Italian officials are preliminary to later detailed

¹ BULLETIN of Apr. 11, 1948, p. 468.

consideration of specific projects by a larger group of professional scientists.

The need for projects of the type under study in southern Italy has long been recognized. Ever since the end of Fascism, the Italian Government has felt the increasing urgency of coping with the problems presented by this area. It has therefore requested help from the United States in alleviating the situation along lines which have been developed to the immense benefit of farmers in similar areas in this country.

Coal Exports to Italy To Aid Gas-Producing Industry

[Released to the press April 14]

The Italian Purchasing Mission in Washington has been authorized to proceed immediately with purchase of emergency supplies of United States coal vitally needed for the Italian gas-producing industry.

Even though full-scale production of coal has not yet been resumed in this country, this action was taken because the Italian Government has informed the United States Government that the gas-producing industry of Italy is faced by a reduction in operation unless additional coal supplies are obtained.

The coal will be licensed for export by the Department of Commerce under the "hardship" provision of the recent order suspending bituminous-coal export licenses as a result of the coal-production stoppage.

Chilean Technologist Awarded Grant-in-Aid

Francisco Mardones Otaiza, of Santiago, Chile, director of the National Institute of Technological Research and Standards, arrived in Washington April 8 for a six weeks' visit as the recipient of a grant-in-aid from the Department of State under the program administered by the Division of International Exchange of Persons for the interchange of specialists and professors with the other American republics. The purpose of his visit, which is being planned in cooperation with the Bureau of Standards of the Department of Commerce, is to familiarize himself with the organization and the functions of the Bureau of Standards. On his return to Chile he expects to organize an Office of Weights and Measures. On his present visit Mr. Mardones hopes to awaken interest in this country in the creation of an Inter-American Committee of Standards. There is already in existence, as an organ of the United Nations, an International Standard Organization (Iso), but as yet the only countries of the Western Hemisphere to join it are the United States, Brazil, Chile, and Canada.

Settlement of Lend-Lease Account With Brazil

[Released to the press April 15]

On behalf of the Brazilian and United States Governments, Ambassador Carlos Martins and Acting Secretary Lovett on April 15 signed a final settlement arrangement, within the terms of the Brazilian lend-lease agreement, whereby Brazil undertakes to pay to the United States a balance due of approximately \$35,000,000 United States currency.

The following remarks were addressed to the Brazilian Ambassador by the Acting Secretary of State:

"The signing of this lend-lease settlement arrangement with the Government of Brazil reminds me again of the timely contributions made by the other republics of the Western Hemisphere to the final victory achieved over the forces of the Axis aggressors, but I am especially mindful of the close cooperation extended us by the Government of Brazil. This is the more gratifying because it is just one more very tangible manifestation of the Pan American way of doing things—a result of adherence to the democratic principle that, through mutual confidence and respect, international amity is possible of attainment.

"Lend-lease, itself, was strong irrefutable evidence of the forceful influence and power of inter-American cooperation during those anxious years. The simple manner of the working out of this settlement arrangement of the Brazilian lend-lease account is abiding evidence of a continuing spirit of international confidence and common respect through which friendly peoples may seek and find, between themselves, the answers to all such problems affecting our mutual interests."

Grants for Burma Under Fulbright Program

[Released to the press April 15]

The Department of State and the Board of Foreign Scholarships announce opportunities for two Americans to receive grants to teach in Burmese schools in the field of agricultural extension. The grants will be awarded under the provisions of Public Law 584, 79th Congress, the Fulbright act. They will be paid in Burmese currency, and it is expected that this payment will include salary, maintenance, and travel, provided no changes are made in the present Burmese currency regulations.

The grants will be available for persons experienced in agricultural extension work to teach in the Village Teacher Training School at Taunggyi and in the Post-Primary School at Myitkyina. The School at Taunggyi is located in the capital

of the Shan State in the Union of Burma, which is composed of 30 smaller states. Each of these smaller states has its own system of schools, but the Village Teacher Training School serves the whole of the Shan area in the training of teachers for adult-education work. The school at Myitkyina is the chief high school of the Kachin State. It is the principal institution in that area in which students can prepare for college and university

work. Both schools accept graduates of primary schools located throughout the Shan and Kachin States. A knowledge of the Burmese language will not be required.

Application blanks are available at the Division of International Educational Relations, United States Office of Education, Federal Security Agency, Washington 25, D.C. The deadline for the receipt of applications is May 15, 1948.

Negotiations for Revision of Trade Agreement With Mexico

[Released to the press April 13]

Negotiations for the revision of schedule I of the trade agreement between the United States and Mexico will be initiated at Mexico City next week, probably on Tuesday, April 20. Schedule I covers tariff concessions on imports into Mexico from the United States.¹

Because of the many questions to which the Mexican trade agreement has given rise in this country in recent months, the Department of State believes that the following statement will be useful to an understanding of the announced negotiation.

1. Several times during 1945 and 1946 the Mexican Government suggested revision of the trade agreement of December 1942 with the United States stating that circumstances since signature had thrown the benefits out of balance to Mexico's disadvantage.

2. In 1947, the Mexican Government, impelled by circumstances and after consultation with this Government in the cases where it was required, took various steps to restrict imports.

3. The circumstances impelling this action were

(a) A marked and continuing decline in Mexico's foreign-exchange reserve largely due to an adverse trade balance with the United States contrary to the prewar situation.

(b) Strong domestic pressure for increased tariffs

- (i) To protect war born industries;
- (ii) To encourage economic development;
- (iii) To change the specific duties to compound duties equivalent on an ad valorem basis to those applying when the agreement was signed in 1942.

4. The principal steps taken by Mexico were

(a) A prohibition, in July 1947, against imports of a wide range of nonessential goods including some items in the trade agreement with the United States.

(b) A change, in November 1947, to the ad valorem equivalent of the duty in 1942 or higher, of the rates of duty on some 5000 items not in the trade agreement.

5. In December 1947 it became evident that Mexico would raise the duty on items in the trade agreement. At this point the United States

(a) Could have announced its intention of denouncing the agreement in the event of such action by Mexico or

(b) Could have sought a solution to the problem through negotiation and agreement.

6. Denunciation of the agreement

(a) Would have resulted in a major, and it is believed, unnecessary breach in United States economic relations with Mexico.

(b) Would have lost for the United States the opportunity to influence the amount by which Mexico would increase rates and to obtain compensation for such increases by further bargaining.

7. Therefore, after full consideration by the interdepartmental trade-agreements organization of all phases of the problem, and with over-all United States-Mexico relations in mind, the United States agreed to provisional increases in duties on trade-agreement items to levels equivalent, on an ad valorem basis, to those provided in the trade agreement when it first came into effect. In return Mexico agreed to negotiations intended to restore the balance in the agreement through revision of the new Mexican rates on items not now in the agreement.

8. If a satisfactory adjustment of Mexican tariff rates should prove impossible to negotiate, the United States is not precluded from seeking agreement on the basis of withdrawing concessions previously made by this country to Mexico or from terminating the agreement in accordance with its provisions.

¹ BULLETIN of Jan. 11, 1948, p. 59, and Feb. 15, 1948, p. 212.

Second Report to Congress on U.S. Foreign Relief Program

President Truman transmitted to the Congress on April 13 the second report on the United States Foreign Relief Program, which was authorized by joint resolution of the 80th Congress, Public Law 84, to provide assistance to the people of countries devastated by war.¹

The countries which have received relief under the program are Austria, Greece, Italy, the Free Territory of Trieste, and China. Foods of various kinds, principally cereals, and seeds, fertilizer, fuel, and medical supplies have been shipped under the relief program. Foods represent about 95 percent of the total cost.

Of the \$350,000,000 appropriated for this purpose, the Congress stipulated, among other things, that up to \$40,000,000 was to be set aside as a contribution to the International Children's Emergency Fund and \$5,000,000 to cover the ocean transportation of supplies provided by private American relief agencies. On December 31, 1947, the amount reserved for supplies to the countries

receiving relief was \$285,900,000. The value of shipments made totaled \$229,520,292 which included the ocean freight.

Shipments of supplies in the three months from October 1 through December 31, 1947, totaled 3,736,813 long tons, compared to the 1,006,401 long tons shipped in the previous period.

The report notes the acknowledgement of recipient countries for the part United States relief supplies have played in their economy. This acknowledgement has been marked by religious blessing ceremonies on the arrival of the first vessels in a dozen Greek ports, by ceremonies greeting the 200th vessel bearing relief to Italy, by the attendant newspaper and radio publicity, by colored posters prominently displayed in retail stores and elsewhere, identifying the United States relief supplies, or emphasizing the proportion of the United States contribution toward the food ration, or stating that the local proceeds from the sale of United States commodities remain in the country to be used for relief projects.

¹ This report was released by the Department of State on Apr. 13 as publication 3101.

Transfer of Nondemilitarized Combat Matériel

[Released to the press April 13]

The following is a list of sales of surplus nondemilitarized and demilitarized combat matériel effected by the Department of State in its capacity

as foreign surplus and lend-lease disposal agent during the months of July and October 1947 and January and February 1948, and not previously reported to the Munitions Division:

Country	Description	Procurement cost	Sales price	Date of transfer
				1948
Chile	Miscellaneous cartridges, metallic belt links, 100-lb. practice bombs, and spotting assembly charges.	\$115, 576. 87	\$11, 561. 74	Jan. 20
				1947
China	One LCI (demilitarized) to T. Y. Fong, Asia Development Corporation, Shanghai, China.	373, 400. 00	6, 500. 00	October
				1948
Cuba	Miscellaneous cartridges, metallic belt links, bombs, fuzes, assembly fins, spotting assembly charges, and arming wire assemblies.	62, 074. 60	6, 210. 84	Feb. 6
	Eight machine gun mounts	1, 124. 00	124. 00	Feb. 6
Peru	Miscellaneous spare parts for combat matériel	2, 899. 79	347. 91	Feb. 25
				1947
Singapore	Seven LST's (demilitarized) to Tung Hwa Trading Co., Ltd., Singapore.	11, 324, 600. 00	122, 000. 00	1 on July 29 6 on Oct. 7
				1948
Venezuela	Nine tank engines, 54 bundles of track assemblies, miscellaneous spare parts for tank, light, M3A3.	166, 096. 89	8, 304. 84	Jan. 6
	Miscellaneous cartridges, shells, percussion primers, shell fins, canisters, shot, projectiles, charges, and signals.	251, 937. 73	18, 351. 18	Feb. 19

ITU Council Session—Continued from page 535

States and other delegations as to the basis on which the Board should operate. It was agreed that the report with the necessary background papers giving both sides of the picture should be circulated to the members of the Union.

Finally, questions of principle and precedent arose, and much of the time of the Council, particularly during the first week, was spent in interpreting the provisions of the new convention of Atlantic City, in order to obtain a basis for action on the administrative, budgetary, and political problems which confronted it.

It had been agreed at Atlantic City that the sessions of the Council should not last longer than three weeks. It had also been intended originally that the Council should meet once a year. It was necessary, however, to defer consideration of so many important items on the agenda of the second session until the third session that it was decided to open the third session at Geneva on September 1, 1948.

The idea of an Administrative Council for the International Telecommunication Union was evolved by the United States preparatory groups as far back as 1943. It was a part of the general belief in this country that an expanded Secretariat with increased duties and powers was necessary to meet the needs of greatly expanded telecommunication services. The Bureau of the Union, established at the St. Petersburg conference of 1875 in the early days of telegraphy, required modernization. This new concept met with opposition, particularly on the ground of the added expense to the Union. This first working meeting of the Council at Geneva represented a test of the United States ideas, and the results seem to vindicate the judgment of the creators of the new structure.

The atmosphere in the Council was most friendly and cooperative. The representatives took their work seriously, and at all times acted more as trustees for the whole Union than as a group of representatives of specific countries. There was a general disposition to avoid political discussions since the Union is intended to be primarily a service organization. When political questions did arise they were solved with a minimum of friction.

The representatives on the Council, with one exception, were chosen in accordance with the dictates of the Atlantic City convention that they should be qualified in telecommunication matters. They evidenced a very strong inclination to keep the Council on a high plane and opposed any suggestion which would have lessened its dignity. In view of the leading position taken by this Government in setting up the Council, this inclination to vest the Council with a dignity consistent with its functions was most encouraging.

Department of State

For sale by the Superintendent of Documents, Government Printing Office, Washington 25, D.C. Address requests direct to the Superintendent of Documents, except in the case of free publications, which may be obtained from the Department of State.

UNESCO and You. International Organization and Conference Series IV. Pub. 2904. (Reprint.) vi, 41 pp. 15¢.

Questions and answers on the How, What, and Why of UNESCO—together with a six-point program for individual action.

Information for Bearers of Passports. January 1, 1948. Passport Series 7. Pub. 3012. iv, 65 pp. Free.

Information of interest to American citizens, dealing with loss of nationality and with their status in certain countries with which the United States has or has not concluded treaties of naturalization.

Passport and Visa Information for Clerks of Courts Who Take Passport Applications, 1948. Passport Series 8. Pub. 3029. 17 pp. Free.

Replaces edition of 1947.

Publications of the Department of State, January 1, 1948. Pub. 3030. 56 pp. Free.

A semi-annual list cumulative from October 1, 1929.

Postal Union of the Americas and Spain. Treaties and Other International Acts Series 1680. Pub. 3043. 51 pp. 15¢.

Convention, and Final Protocol and Regulations of Execution of the Convention, Between the United States and Other Governments—Signed at Rio de Janeiro September 25, 1946; entered into force January 1, 1947.

Second Report to Congress on the United States Foreign Relief Program, for the quarter ended December 31, 1947. Economic Cooperation Series 5. Pub. 3101. v, 62 pp. 25¢.

Report to the Congress on the U.S. Foreign Relief Program, under Public Law 84, approved May 31, 1947, which authorized an appropriation for relief assistance to the people of countries devastated by war.

Work of the United Nations Good Offices Committee in Indonesia. International Organization and Conference Series III, 4. Pub. 3108. 14 pp. Free.

An article and documents relating to the Indonesian situation.

The United States Reciprocal Trade-Agreements Program and the Proposed Trade Organization. Commercial Policy Series 112. Pub. 3112. 7 pp. 10¢.

Havana Charter for an International Trade Organization and Final Act and Related Documents, March 24, 1948. Commercial Policy Series 113. Pub. 3117. viii, 77 pp. 25¢.

Final text of the charter to be submitted to the governments represented at the Havana conference for their acceptance.

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Contributors

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Helen G. Kelly, author of the article on the second session of the Administrative Council of the International Telecommunication Union, is an officer in the Telecommunications Division, Department of State. Miss Kelly served as adviser to the United States Delegation to the second session of the Administrative Council.

Donald R. MacQuivey, author of the article on the North American Broadcasting Engineers' Meeting, served as vice chairman of the U.S. Delegation to the conference. Mr. MacQuivey is an officer of the Telecommunications Division, Office of Transport and Communications, Department of State.